**Topic: The quixotic search for energy solutions**

***Another Don Quixote Thanksgiving***. Every year at Thanksgiving[1], we look in-depth at an issue that affects markets and portfolios. Last year, we examined the unraveling situation in Europe. Unfortunately, most concerns we expressed last year have been borne out, and are getting much worse (I spent the weekend reading legal documents on a Eurozone break-up, just in case). Like Don Quixote, Europe went on its journey for all the wrong reasons, adopting a half-pregnant monetary union to support a political objective that had arguably already been achieved by 1955[2]. This year, a look at something just as worrying in the long run as the fiscal problems of the West: **the search for energy solutions**. This journey has been fraught with similarly quixotic dead ends, fairy tales and blunders ignoring economic (and thermodynamic) realities. This is important to us, since energy cost and availability is central to how we think about growth, profits, stability and our portfolio investments.

As part of this effort, I made a pilgrimage to Manitoba to spend a day with Vaclav Smil. Vaclav is one of the world's foremost experts on energy, and has written over 30 books and 300 papers on the subject (he's #49 on Foreign Policy's list of the 100 most influential thinkers). Vaclav's book "*Energy Myths and Realities*" should be required reading for politicians or regulators impacting energy policy. We start with an unflinching look at these realities before turning to solutions, and some potentially encouraging developments, which have less to do with how electricity is generated, and more to do with how it might be stored.

**"A dream is a wish your heart makes" (*Cinderella*)**

Over the last 50 years, a lot of proposed solutions have not panned out as expected. While the process of discovery and invention *always* includes large doses of failure, energy policy is different than say, cell phones or VCRs, since more public money, time and effort are spent on them. Hopes are raised, and as a result, less flashy but more reliable solutions are sometimes postponed or avoided altogether. Here are a few memorable predictions of our energy future:

- *1945*. Oak Ridge National Laboratory nuclear physicists Weinberg and Soodak predict that nuclear breeders will be man's ultimate energy source; a decade later, the chairman of the US Atomic Energy Commission predict it would be "too cheap to meter"
- *1973*. "Let this be our national goal: At the end of this decade, in the year 1980, the United States will not be dependent on any other country for the energy we need to provide our jobs, to heat our homes, and to keep our transportation moving." Richard Nixon
- *1978*. "Through modeling of supply and demand for over 200 US utilities it was projected that, by the year 2000, almost 60% of US cars could be electrified, and that only 17% of the recharging power would come from petroleum."
- *1979*. An influential Harvard Business School study projects that by 2000, the US could satisfy 20% of its energy needs through solar
- *1980*. Physicist Bent Sorenson predicts that 49% of America's energy could come from renewable sources by the year 2005
- *1994*. Hypercar Center established, whose lightweight material and design would yield 200 mpg cars with a 95% decline in pollution
- *1994*. InterTechnology Corporation predicts that solar energy would supply 36% of America's industrial process heat by 2000
- *1995*. Energy consultant and physicist Alfred Cavallo projects that wind could have a capacity factor of 60%, which when combined with compressed air storage, would rise to 70 – 95%[3]
- *1999*. US Department of Energy hopes to sequester 1 billion tonnes of carbon per year by 2025
- *2000*. Fuel cell companies announce 250-kilowatt production plants that can fit into a conference room and produce energy at 10 cents per kilowatt hour, with the goal of 6 cents by 2003
- *2008*. "Today I challenge our nation to commit to producing 100% of our electricity from renewable energy and truly clean carbon-free sources within 10 years. This goal is achievable, affordable and transformative." Al Gore
- *2009*. Gene scientist Craig Venter announces plans to develop next-generation biofuels from algae in a partnership with Exxon Mobil

**How have things turned out?** There are no commercial nuclear breeders on anyone's horizon; global nuclear capacity is only 20% of the Atomic Energy Agency's 1970 forecast; the Hypercar is nowhere to be seen; solar and wind make up a miniscule portion of US electricity generation; wind capacity factors range from 20%-30%; the US is reliant for 50% of its oil from foreign sources; 70% of US electricity generation comes from coal and natural gas; fuel cells haven't worked as expected; hybrids are 2% of US car sales; "clean coal" is mostly a blueprint; and Venter announced that his team failed to find naturally occurring algae that can be converted into commercial-scale biofuel (they will now work with synthetic strains instead)[4].

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[1] Some clients tell me it is helpful to have something to read this weekend, when/if family gatherings become unwieldy, or aggravating.

[2] A few years ago, Swedish and Dutch politicians mobilizing support for the EU Constitution referred to "Yes" votes as necessary tribute to the dead from the Second World War, and more urgently, to avoid the pre-war divisions which led to it. Conflict between European empires existed for hundreds of years (1871-1914 was the only period of peace until 1945), so the idea of a united Europe would have seemed appealing in 1945. However, **conditions for securing a lasting peace within Western Europe were arguably *already in place* by 1954**.

[3] A 2005 paper from Stanford raised expectations further by estimating **theoretical wind power** at 72 TW, 30x global electricity production.

[4] **Algae** are inefficient photosynthetic reactors (they do not consume $CO_2$ when the sun isn't shining), and allocate only a tiny fraction of captured solar energy into lipid production. A 2007 study by Krassen Dimitrov at the University of Queensland predicted GreenFuel's demise in advance, claiming that the company estimated its photosynthetic efficiency at almost double the maximum theoretical rate, and could only be profitable at $800 per barrel of oil. Genetic improvements of plant life have historically focused on disease resistance and modifying the split between production of "fruit vs. stem"; it is used less often to increase growth rates of biomass itself.



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Re item 2: the student in question was interested in science communication, and on dozens of occasions came to me, asked me to talk over coffee, or wrote to me with questions. When she asked about advice for after graduation I DID tell her she was different than the other students in her year. The rest of them were interested in going on to graduate school in physics, but she was interested in science communication so I told her that she might want to take a different path. Since she was the only woman in her year, as I recall, I did ask her on one of these occasions if that made it difficult for her in any way. I asked, because as a faculty member and department chair I was interested in knowing what we could do, if necessary to encourage more women to go into physics, and also because as someone she had asked for career advice from I wanted to know if that made a difference to her. Re asking her for dinner.. I have gone back over emails from that period. I have numerous requests from her asking me to go for coffee to talk, which I usually had to turn down because I was busy, and on several occasions she asked me to have coffee with her off campus to talk, and I politely declined. I did let her accompany me off campus one time to watch me do a BBC interview because she specifically requested it, and I believe she found it useful. I did and do have coffee and meals with students on campus, and I see nothing wrong with this. I try to treat students as respected colleagues if possible. I was shocked when I later learned of the complaint she was apparently asked to lodge to the University, not least because there was no inappropriate interaction but also because, well after the dates you listed on which she was apparently offended, she continued to email me with joking questions or comments. Also, at a later AAAS conference, again in 2008, for which she had asked, and for which I had written her a letter of recommendation to attend, my wife and I gave her a lift in our taxi well out out of our way in order to drop her off at her hotel, and I note in an email response to her email about the conference, again in 2008, I expressed that I would pass her regards along to my wife and vice versa. When the University later informed me of the complaint I was shocked and concerned. When I spoke to the human resources person, including relating my concerns and explaining the situation, I was told that no formal complaint of sexual harassment was requested. By that time I learned of the complaint I had already announced my intentions to leave Case to accept an offer at ASU—a very difficult decision for me because of my long-standing attachment to the University, the excellent relations I had with my colleagues there— both among the faculty (many of whom in physics I had hired while department chair)) and among the administration, along with a very attractive counter-offer by Case. Because I was already in Arizona at the later time I was asked not to have any further interaction with the student I agreed to that request, both to respect her sensitivities and also because it was basically moot because I was not on campus. Following this episode, as indicated in the letter to the student, I did assess what might have led to misinterpretations by this student, and became more careful in offering advice when talking to students. I was also told by human resources that because it was decided to handle this informally and not formally, that (a) it should remain confidential, which I, at least abided by, and (b) if no further complaints were lodged in that case, that the University would preserve its confidentiality and remove the complaint from my record after 5 years, which makes me surprised and concerned that someone violated that written agreement with you.

Re item 6: You report on ASU's response to item #6 , without including the fact that the University specifically stated there were never any allegations of sexual misconduct or harassment by me at the University, and moreover that the 'outside complaints' were in fact related specifically to your item #6. Further you neglect to mention that this complaint was by an anonymous third party, not the individual who was allegedly harassed, who never lodged a complaint, and that no specific evidence was provided of the alleged transgression. I was surprised and dismayed that both ASU and ANU launched investigations on the basis of this but was told by both Universities that because of my high profile even such unsubstantiated third party complaints at private events unrelated to the University would be investigated. The complaint was investigated by both ASU and ANU and both came to the conclusion that it was not credible and no university policies had been violated. In addition ANU's investigation, which took a full month, found various inconsistencies in the allegation, which suggest distortion and fabrication, I will quote from the ANU report. The initial complaint, which in fact resulted in a temporary suspension of my position at ANU until it was dismissed, outlined the claim you made in the words you quoted in your note to me, but it also stated

"It is the University's understanding that a complaint was lodged directly to the conference organisers at the time of the incident."

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me up to a host of unfounded outside complaints and allegations that other faculty do not receive, each of which the University has to respond to. The fact that I have remained a professor in all Universities with which I have been associated, in good standing, and also an officer or an invited speaker at organizations like CFI, which have strict harassment policies, is a confirmation of the fact that their experience validates a trust in my behavior. I was asked to be an honorary director of CFI, and continue to be invited to their last 3 meetings to speak, specifically because, as they have written me after the fact, the attendees universally appreciated my talks, my courtesy, and graciousness in spending time with the attendees. If the purpose of your report is to impugn my integrity or suggest I have a history of harassment, that too is false. As noted in one of your 'miscellaneous facts', as a scientist I try and remain skeptical, and rely on empirical evidence, rather than allegations and innuendo by people whose motives I cannot judge. I also try and judge the facts in context. The fact that Universities and other organizations employ me or have me on their boards, or invite me to meetings is because they value my contributions and my actions.

The items you list are false or distorted. Item 1 refers to a consensual encounter in my hotel room in 2006 where we mutually decided, in a polite discussion in fact, that taking it any further would not be appropriate, and there were respectful and platonic encounters afterwards. There is nothing to comment on in item 3, which involves an anonymous 3rd party claim because I know nothing about it, there are no details provided, and it clearly was not taken seriously enough to result in any university action. Item 4 is confusing. Are you saying that because I decided I didn't want to go out to a bar with a group of attendees that I was harassing them? The second part did not happen. Re incident 5: The 'female companion' in this case is my wife, who accompanied me on the cruise, and has attested to the fact that the claim is false. This is what I wrote at the time in response to the blog in question, causing it to be taken down.

It is worth responding to Item 2 and 6 in more detail,

Re item 2: the student in question was interested in science communication, and on dozens of occasions came to me, asked me to talk over coffee, or wrote to me with questions. When she asked about advice for after graduation I DID tell her she was different than the other students in her year. The rest of them were interested in going on to graduate school in physics, but she was interested in science communication so I told her that she might want to take a different path. Since she was the only woman in her year, as I recall, I did ask her on one of these occasions if that made it difficult for her in any way. I asked, because as a faculty member and department chair I was interested in knowing what we could do, if necessary to encourage more women to go into physics, and also because as someone she had asked for career advice from I wanted to know if that made a difference to her. Re asking her for dinner.. I have gone back over emails from that period. I have numerous requests from her asking me to go for coffee to talk, which I usually had to turn down because I was busy, and on several occasions she asked me to have coffee with her off campus to talk, and I politely declined. I did let her accompany me off campus one time to watch me do a BBC interview because she specifically requested it, and I believe she found it useful. I did and do have coffee and meals with students on campus, and I see nothing wrong with this. I try to treat students as respected colleagues if possible. I was shocked when I later learned of the complaint she was apparently asked to lodge to the University, not least because there was no inappropriate interaction but also because, well after the dates you listed on which she was apparently offended, she continued to email me with joking questions or comments. Also, at a later AAAS conference, again in 2008, for which she had asked, and for which I had written her a letter of recommendation to attend, my wife and I gave her a lift in our taxi well out out of our way in order to drop her off at her hotel, and I note in an email response to her email about the conference, again in 2008, I expressed that I would pass her regards along to my wife and vice versa. When the University later informed me of the complaint I was shocked and concerned. When I spoke to the human resources person, including relating my concerns and explaining the situation, I was told that no formal complaint of sexual harassment was requested. By that time I learned of the complaint I had already announced my intentions to leave Case to accept an offer at ASU—a very difficult decision for me because of my long-standing attachment to the University, the excellent relations I had with my colleagues there— both among the faculty (many of whom in physics I had hired while department chair)) and among the administration, along with a very attractive

**Topic: The quixotic search for energy solutions**

**The other good news relates to the discovery of new natural gas reserves**. US shale gas production is up 14-fold over the last decade, and the EIA projects that by 2035, the US will no longer be a gas importer. Yes, the Energy Department recently slashed estimates of gas in the Marcellus Basin from 410 trillion cubic feet to 84 trillion; this followed the latest survey by the US Geological Survey, which last estimated the basin at 2 trillion cubic feet in 2002. However, the historical imprecision of peak oil/gas estimates make it a difficult science. To be clear, shale gas production will be critical; EIA projections to 2035 assume that rising shale gas production will offset declines in almost every other gas category (see p. 7). Deep sea gas reserves are a potential positive, but marginal costs may be an issue. As for shale gas exploration and radium (naturally occurring and surfaced in sometimes dangerous concentrations), and fracking chemicals themselves, the cost of natural gas electricity appears low enough to absorb costs related to wastewater collection and treatment. Eventually, replacements will be needed for fossil fuels. What "art of the possible" solutions do is give the world more time to find them. **In the meantime, many scientists would prefer to put as much emphasis on efficiency as on new technologies**. Examples include 95% efficient natural gas furnaces, LED/fluorescent lighting and more insulation. The largest direct energy saver in a 2010 report by the Pacific Northwest National Laboratory for the Department of Energy: **deployment of diagnostic devices in residential and commercial buildings to manage HVAC systems and lighting.**

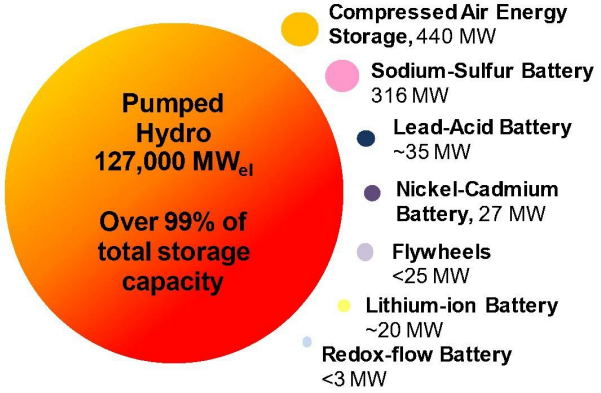
**A potential game-changer: electricity storage that works, in commercial scale**

What would potentially change the energy equation is **storage**. The world has been *generating* commercially available electricity for over a hundred years, but as things stand now, the world has almost no electricity *storage*. The benefits of electricity storage, if it could be implemented, are self-evident:

- increased cost-effectiveness of intermittent solar and wind power, and lower electricity costs, since electricity produced by wind at night could be stored and sold during the day; and electricity produced during sunny days could be stored and sold during cloudy spells. There are obvious tie-ins to the feasibility and cost of electric cars
- lower required **peak** production capacities of large urban power systems, by drawing on stored electricity reserves
- deferral or avoidance of costly upgrades to the transmission grid. As per the North American Electricity Reliability Corporation, only 27% of grid upgrades relate to integrating renewable energy. Almost half are designed to improve overall reliability, due to fluctuating loads (since the grid has to accommodate peak loads, and not just average ones)
- reduced consumption of fossil fuels which power most stand-by generators

**Unfortunately, battery storage has moved along at a snail's pace**. Moore's Law on doubling semiconductor capacity is something of a distraction; technology improvements over 15-18 months are hard to find anywhere EXCEPT semiconductors. Solar photovoltaic cell efficiency has doubled over 15-18 *years*; and battery storage has progressed even more slowly as it relates to commercial-scale applications[9] (rather than lithium ion applications for cell phone and laptops). As a reminder, electricity is simply defined as the movement of electrons, which can only be "stored" as potential energy, for example via large height or chemical gradients (e.g., batteries).

The accompanying chart shows the existing state of commercial-scale electricity storage; **it's all about pumped hydro**[10], a process that uses cheaper electricity at night to pump water uphill into a reservoir basin, and then releases the water during the day to power a hydro-electric generator. The other technologies are an afterthought, at least right now. Note that more energy is expended in pumping the energy uphill than is generated by releasing it downhill; the economic value derives from much higher electricity prices during the day. Around 10%-20% of the potential pumped hydro energy is lost over time through evaporation and conversion losses.




Source: Fraunhofer Institute, EPRI, Electricity Storage Technology Options, 2010.

[9] Companies like A123 produce commercial scale batteries, but they are primarily for grid-smoothing. A123's lithium ion batteries are meant to store energy for *fractions* of an hour, rather than for hours or days.

[10] Most pumped hydro facilities are designed to run for 10 hours uninterrupted (before being empty). Assuming 127 GW of installed capacity, that means that 1,270 GWh of electricity would be produced before their reservoirs ran dry. That amount of stored electricity is 0.0064% of annual global generation. That is a *very* small supply; inventory storage for crude oil is 10%-12% of annual production.



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Europe. The average global growth pace of the past 3 months has fallen to only 1.8%, barely more than half of trend. The expectation remains that Q1 should come in at 2.4% as both Japan and the Euro area exit recession.

- While staying overall long risk markets, both credit and equities at the moment, we have increasingly focused on tactical cross-market exposures, and in particular the underweight of US equities. In *GMOS* this week, we took profit on the overweight of Euro area equities against the US given the still very weak economy, with Q4 likely now the biggest GDP decline since the end of the global recession (We do stay overweight Euro periphery bond). But we **remain aggressively overweight both Japan and EM Asia versus the US,** with Japan currency hedged. The upside surprise on Chinese CPI today dented its equity market somewhat, but we think this will be temporary as it should not yet lead to monetary tightening. The recent set of strong trade and industrial data from China and the region are signaling to us significant upside risk on Q1 and 2013 growth projections.

- We have been long **Japanese** equities since Nov 16, which more by luck than skill defined the beginning of its equity rally. Topix is up 20% since then, almost straight line. We believe new PM Abe conviction and political power to reflate the economy are real. It has already helped the yen lose 10% versus the dollar. Given this move, faster fiscal easing and support from equities, we have raised our 2013 growth forecast for a 3rd time, this time to 0.8%. We stay long the Japanese reflation trade.

**Fixed Income**

- Bonds recovered some of their losses from last week, but remain down on the year. We do not see the current surge in equities as a negative for bonds, yet, as equity inflows are not coming out of bond funds, and growth remains too weak to elicit an early end to QE. With USTs very much at the top of their 6-month trading range, we go tactically long duration, but would take profit soon on a decent rally. In the Euro are, in contrast, the continued flow into the periphery should remain negative for Bund and euro swaps. We retain a bearish bias here.

**Equities**

- Equities are up again this week, helped by rapidly improving equity ETF inflows. **Strong buying by retail investors** is adding fuel to equity markets against a backdrop of rather subdued macro drivers, maintaining a positive-near term momentum. The reporting season is also helping with US companies beating so far by 2% the bottom up analysts' estimates at the beginning of the year.

- Our recommended equity portfolio focuses on regional and sectoral exposures. Underweighting US equities remains our main regional theme. This trade also protects our portfolio against looming debt ceiling risks. US equities had been the consensus overweight by equity investors for two years and their outperformance started reversing over the summer. **US equities have so far erased their 2012 outperformance but are far from erasing their 2011 outperformance.**

- We focus the **US equity underweight against EM Asia and Japan**. In GMOS this week, we took profit on our overweight in MSCI EMU versus S&P500 given looming Italian election risks into February, and still disappointing European economic activity data. We stay overweight in Topix vs. S&P500 currency hedged. Fiscal easing, financed via debt monetization, and coupled with structural reforms has the potential to sustain this trade beyond a 3-6 month horizon, in our view. This week's fiscal stimulus announced by the Japanese gov't appears supportive of the Japanese trade.

- Across sectors we favor Cyclical vs. Defensive sectors but have taken part profit as the pace of the improvement in the global manufacturing PMI slowed in December. We stay overweight the DJ US Home Construction Index and large mortgage banks (BKX Index) vs. the S&P500 to position for a continued recovery in US housing.

**Credit**

- **High-grade spreads and yields were a few bps tighter this week,** although US and European high-yield continued to rally strongly. Double-digit spread tightening sent both to new all-time yield lows; now just 5.9% in the US and 6.5% in Europe. The clear outlier this week was EMBIG, the ill health of the Venezuelan president and a NY court ruling in favor of hold-out creditors in Argentina's 'pari passu' saga helped push spreads up 12bp. We believe such idiosyncrasies driving relative performance signals an uncharacteristic break-down in spread correlations and a welcome move-away from the one-factor-drives-all world of late.

- The strength of equity flows has caught our attention this week, but there is little evidence of a wider rotation out of bonds. There has indeed been some evidence of bond into equity fund flows in ETFs (best seen through our flow radars in *Flows & Liquidity*), but bond mutual funds continue to see inflows, which accelerated this week. Also, our client survey reports on-going demand for credit and new issues remain well bid (see *CMOS* and *F&L* for more details).

**Foreign Exchange**

- 2013 has started with **bubbling optimism across global markets**. Equities are approaching five-year highs and credit spreads their five-year lows, while government bonds are selling off worldwide and inflation breakevens behave (outside the UK). And per the traditional pattern, the dollar is falling versus most currencies, except those which entered 2013 with enormous liabilities – the yen given Japan's full-throated commitment to looser monetary and fiscal policy, and the rand on sovereign credit and balance of payment concerns. EUR/USD has spiked since Thursday's ECB meeting but is underperforming much of the commodity complex (MXN, CLP, AUD, NZD) year-to-date, highlighting that China's data surprises this week count for as much as a less-worried ECB.

- These **country-specific issues are more powerful than systemic ones** for the moment, which is likely why correlations across dollar-based pairs have sunk to three-year lows. The yen story still looks to us the most unique – USD/JPY is the only major

department chair I was interested in knowing what we could do, if necessary to encourage more women to go into physics, and also because as someone she had asked for career advice from I wanted to know if that made a difference to her. Re asking her for dinner.. I have gone back over emails from that period. I have numerous requests from her asking me to go for coffee to talk, which I usually had to turn down because I was busy, and on several occasions she asked me to have coffee with her off campus to talk, and I politely declined. I did let her accompany me off campus one time to watch me do a BBC interview because she specifically requested it, and I believe she found it useful. I did and do have coffee and meals with students on campus, and I see nothing wrong with this. I try to treat students as respected colleagues if possible. I was shocked when I later learned of the complaint she was apparently asked to lodge to the University, not least because there was no inappropriate interaction but also because, well after the dates you listed on which she was apparently offended, she continued to email me with joking questions or comments. Also, at a later AAAS conference, again in 2008, for which she had asked, and for which I had written her a letter of recommendation to attend, my wife and I gave her a lift in our taxi well out out of our way in order to drop her off at her hotel, and I note in an email response to her email about the conference, again in 2008, I expressed that I would pass her regards along to my wife and vice versa. When the University later informed me of the complaint I was shocked and concerned. When I spoke to the human resources person, including relating my concerns and explaining the situation, I was told that no formal complaint of sexual harassment was requested. By that time I learned of the complaint I had already announced my intentions to leave Case to accept an offer at ASU—a very difficult decision for me because of my long-standing attachment to the University, the excellent relations I had with my colleagues there— both among the faculty (many of whom in physics I had hired while department chair)) and among the administration, along with a very attractive counter-offer by Case. Because I was already in Arizona at the later time I was asked not to have any further interaction with the student I agreed to that request, both to respect her sensitivities and also because it was basically moot because I was not on campus. Following this episode, as indicated in the letter to the student, I did assess what might have led to misinterpretations by this student, and became more careful in offering advice when talking to students. I was also told by human resources that because it was decided to handle this informally and not formally, that (a) it should remain confidential, which I, at least abided by, and (b) if no further complaints were lodged in that case, that the University would preserve its confidentiality and remove the complaint from my record after 5 years, which makes me surprised and concerned that someone violated that written agreement with you.

Re item 6: You report on ASU's response to item #6 , without including the fact that the University specifically stated there were never any allegations of sexual misconduct or harassment by me at the University, and moreover that the 'outside complaints' were in fact related specifically to your item #6. Further you neglect to mention that this complaint was by an anonymous third party, not the individual who was allegedly harassed, who never lodged a complaint, and that no specific evidence was provided of the alleged transgression. I was surprised and dismayed that both ASU and ANU launched investigations on the basis of this but was told by both Universities that because of my high profile even such unsubstantiated third party complaints at private events unrelated to the University would be investigated. The complaint was investigated by both ASU and ANU and both came to the conclusion that it was not credible and no university policies had been violated. In addition ANU's investigation, which took a full month, found various inconsistencies in the allegation, which suggest distortion and fabrication, I will quote from the ANU report. The initial complaint, which in fact resulted in a temporary suspension of my position at ANU until it was dismissed, outlined the claim you made in the words you quoted in your note to me, but it also stated

"It is the University's understanding that a complaint was lodged directly to the conference organisers at the time of the incident."

After the month-long investigation, during which I was told I was not to interact with anyone on campus (again moot because I was a hemisphere removed) the final report, from which I quote below absolved me of any wrongdoing, reinstating my position, and indicated information inconsistent with the original claim and apparent later claims:

allegations that other faculty do not receive, each of which the University has to respond to. The fact that I have remained a professor in all Universities with which I have been associated, in good standing, and also an officer or an invited speaker at organizations like CFI, which have strict harassment policies, is a confirmation of the fact that they trust my behavior. I was asked to be an honorary director of CFI, and invited to their last 3 meetings to speak, specifically because, as they have written me after the fact, the attendees universally appreciated my talks, my courtesy, and graciousness in spending time with the attendees. If the purpose of your report is to impugn my integrity or suggest I have a history of harassment, that too is false. As noted in one of your 'miscellaneous facts', as a scientist I try and remain skeptical, and rely on empirical evidence, rather than allegations and innuendo. I also try and judge the facts in context. The fact that Universities and other organizations employ me or have me on their boards, or invite me to meetings is because they value my contributions and my actions.

Your specific allegations are false or distorted. Item 1 refers to a consensual encounter in my hotel room in 2006 where we mutually decided, in a polite discussion in fact, that taking it any further would not be appropriate, and had respectful encounters afterwards. I cannot comment on item 3, which involves an anonymous 3rd party claim, because I know nothing about it, and it was not taken seriously enough to result in any university action. Item 4 is confusing. Are you saying that because I decided I didn't want to go out to a bar with a group of attendees that I was harassing them? The second part is false. I don't do that. Re incident 5: The 'female companion' in this case is my wife, who can attest to the fact that the claim is false, which is what I wrote in response to the blog in question, causing it to be taken down.

It is worthwhile responding to Item 2 and 6 in more detail,

Re item 2: the student in question was interested in science communication, and on dozens of occasions came to me or wrote to me with questions. When she asked about advice for after graduation I DID tell her she was different than the other students in her year. The rest of them were interested in going on to graduate school, but she was interested in science communication so I told her that she might want to take a different path. Since she was the only woman in her year, as I recall, I did ask her on one of these occasions if that made it difficult for her in any way. I asked, because as a faculty member I was interested, and also because as someone she had asked for career advice from I wanted to know if that made a difference to her. Re asking her for dinner.. I have gone back over emails from that period. I have numerous requests from her to go for coffee to talk, which I usually had to turn down because I was busy, including several occasions where she asked me to have coffee with her off campus to talk, and I politely declined. I did let her accompany me off campus one time to watch me do a BBC interview because she specifically requested it. I did and do have coffee and meals with students on campus, and I see nothing wrong with this. I was shocked when I later learned of her complaint, not least because there was no inappropriate interaction and also because well after the date on which she is said to have been offended, she continued to email me with joking questions or comments, and at a AAAS conference in 2008, for which she had asked, and for which I had written her a letter of recommendation to attend, my wife and I gave her a lift well out out of our way to drop her off at her hotel, and I note in an email response to her email about the conference, agin in 2008, I expressed that I would pass her regards along to my wife and vice versa. When the University informed me of the complaint I was shocked and concerned. When I spoke to the human resources person, including relating my concerns and providing the emails in question, I was told that no formal complaint of sexual harassment was deemed to be warranted in this case, and that the young woman in question had agreed to that. By that time I learned of the complaint I had already announced my intentions to leave Case to accept an offer at ASU—a very difficult decision for me because of my long-standing attachment to the University, and the excellent relations I had with my colleagues there, both among the faculty and among the administration. Because I was already in Arizona at the time I was asked not to have any further interaction with the student I agreed to that request because it was basically moot. I was also told that because it was being handled informally, that (a) it should remain confidential, which I, at least abided by, and (b) if no further complaints were lodged in that case, that the University would remove the allegation from my record after 5 years, which makes me surprised that someone violated that written agreement with you.

**Topic: The quixotic search for energy solutions**

**Today's US energy reality: electricity generation**

Before exploring why some of these ideas did not pan out, let's look at where the US is right now in electricity generation. The table below shows each energy source; its installed capacity; the electricity this capacity generated in 2010 and percent of total generation; its capacity factor; and its long-term levelized cost for new construction, estimated by the Energy Information Agency. Capacity factors are important since they measure the intermittency of each source (capacity factor = actual generation relative to potential maximum generation). Baseload natural gas plants can run at higher factors than 28%; this number reflects the fact that many gas plants are used as "peaking" facilities to provide short-term energy during periods of elevated demand.

As stated above, fossil fuels dominate, followed by nuclear. Hydroelectric is next (efficient and cheap, but most large-scale sites are already in use); followed by non-hydroelectric renewable energy, which across all categories makes up less than 5%, in part due to their low capacity factors. Non-hydroelectric renewable energy is a similarly small component of the country's *overall* energy use, a broader category which includes transportation fuels[5].

| *Energy Information Agency* | Installed base 2010 MW | Electricity gen in 2010 mm MWh | % of total gen. | Implied capacity factor | EIA Levelized cost 2016 per MWh | **<---Levelized cost incorporates upfront and ongoing capital costs, cost of capital, fuel and other operating costs, capacity factor and related power transmission investments (in 2009 dollars) for new construction** |
|---|---|---|---|---|---|---|
| Coal | 316,800 | 1,847 | 45.4% | 67% | $95 - $110 | Abundant and cheap, but with a substantial range of environmental problems |
| Natural gas | 407,028 | 988 | 24.3% | 28% | $60 - $70 | Capacity factors understate potential utilization |
| Nuclear | 101,167 | 807 | 19.8% | 91% | $114 | Efficient once built; very expensive to build (costs rising sharply in recent decades) |
| Hydro | 78,825 | 260 | 6.4% | 38% | $86 | Most viable sites already in use after incentives in the 1960s-1980s |
| Wind | 39,135 | 95 | 2.3% | 28% | $97 | Low capacity factor, maturing technology; cost more than doubles offshore |
| Biomass/wood | 11,406 | 56 | 1.4% | 56% | $112 | Expensive to aggregate and collect; high capital costs relative to energy density |
| Geothermal | 2,405 | 18 | 0.4% | 85% | $102 | Very expensive, except near areas with active geothermal reservoirs |
| Solar PV/CSP | 941 | 1 | 0.0% | 15% | $210 - $312 | Expensive, low capacity factors; this segment is commercial (non-res) installations |

**Energy Conversions 101**

What went wrong with renewables? Theories generally fall into 3 buckets: (i) why bother, since there are plenty of fossil fuels; (ii) renewable energy would have a larger share if it benefitted from the massive R&D put into things like nuclear; and (iii) renewables have thermodynamic, structural and practical limitations that inhibit their ability to represent much larger shares of electricity or transportation fuel production. While (i) and (ii) have some merit[6], it is hard to escape (iii). *Energy Conversions 101* is meant to show why, using examples[7] that I expanded from Vaclav's narrative (unit equalities on p.8).

**Question #1**: How much more electricity would the US need if it switched to electric cars?

| | |
|---|---|
| 200 | watt hours per km for average electric car |
| 20,000 | km driven per car per year |
| 245,000,000 | number of US passeneger cars |
| 980,000,000 | MWh for US passeneger cars per year, all electric |
| 980 | TWh for US passenger cars per year, all electric |
| 10% | + Increase due to battery self-discharge |
| 1,078 | TWh for US passenger cars per year |
| 4,325 | TWh of US electricity production |
| **25%** | Incremental electricity need |

**Implication**: This is incremental *generation*, not *capacity*, since *some* existing facilities could produce more. But it's still a huge increase in generation, and the cost will depend on where you plan to get the electricity from, and when. Gasoline is used on site; electricity is generated offsite and then moved across what is perhaps the worst electrical grid in the OECD. Note that we did not include transmission losses here; if we did, generation requirements would be higher. This also ignores electric car battery life issues (heat, cold, etc) and the rising cost of rare earth metals needed for electric cars.

**Question #2**: Do electric cars require less energy than gasoline powered cars? If not, what might the other benefits of electric cars be?

| | |
|---|---|
| 4.4 | MWh per electric car per year (see assumptions in #1) |
| *Now let's figure out the PRIMARY energy needed to make this electricity…* | |
| 60% | Efficiency loss of generation process (avg for US coal and nat gas generation) |
| 10% | Electricity transmission losses |
| 12.2 | MWh of primary energy required per car per year |
| 44,000 | Megajoules of energy per electric car per year (3,600 MJ=1 MWh) |
| 2.2 | Megajoules per car per year per km driven |
| 15.9 | km/liter for electric car when the primary energy (coal or gas used to generate electricity) is expressed in gasoline equivalents (35 MJ=1 L) |
| **37.4** | Primary energy requirement of electric car, expressed in miles per gallon |

**Implication**: In other words, **primary energy** required to power electric cars is not that different from high mpg gasoline cars, which exist already. Depending on how electricity is generated, there *could* be some emissions benefits (but not if coal is the primary source of electricity, as it is now). There would be much less depedence on foreign oil, a US objective for decades. But some benefits could also be obtained through a high mileage fleet, perhaps less of an undertaking than switching to electric cars. If efficiency losses from electricity conversion in coal, nuclear or gas plants were reduced from 60% to 50%, that would help the thermodynamics of electric cars substantially; but that's a big if.

[5] Domestically produced and imported biofuels make up around 14% of US liquid fuels consumption.
[6] The nuclear industry was the recipient of 96 percent of all funds appropriated by Congress for energy R&D between 1945 and 1998.
[7] These examples are of course assumption-dependent; I tried to be conservative. I am sure you will let me know if I wasn't.



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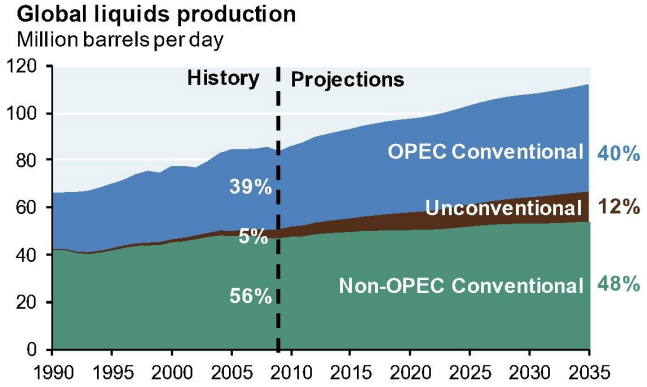
**Topic: The quixotic search for energy solutions**

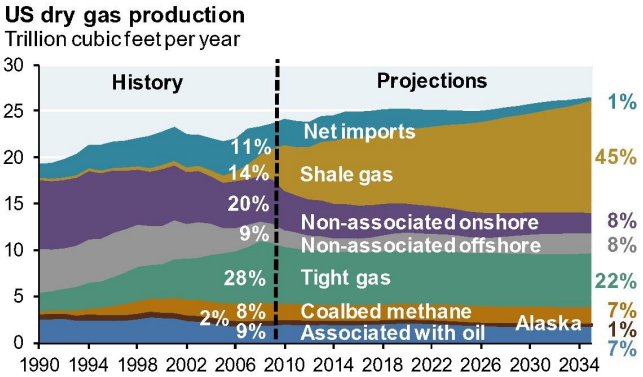
**A setback for nuclear, and some investment consequences**

The saddest energy moment of the year was the failure of the Fukushima Dai-ichi nuclear power plant in March. Weaknesses of the original design and actions taken in the immediate aftermath of a massive tsunami combined to produce a disaster: the latest studies show emissions of radioactive cesium that are equal to half of the release from Chernobyl. The concept of nuclear power is one of man's greatest achievements, but generating it safely and in a cost-effective way (including decommissioning) makes it a difficult undertaking. In some ways, **nuclear's goose was cooked by 1992**, when the cost of building a 1 GW plant rose by a factor of 5 (in real terms) from 1972. Before he died, father of the hydrogen bomb Edward Teller's last paper argued that nuclear power plants (molten salt reactors, specifically) do not belong on the surface of the earth, and belong underground instead, to deal with the clean-up and failure, if it happened. And that's from one of nuclear power's greatest supporters.

**From a broader perspective, the era of cheap oil appears to be over.** As shown below in the first chart, almost the entire future increase in oil supplies projected by the EIA are based on unconventional supplies (tar sands, deep-sea drilling, enhanced oil recovery, oil shale, etc.), with the word "*unconventional*" being shorthand for "*more expensive*". As for natural gas, as shown in the second chart, EIA projections assume that rising U.S. shale gas production, with all its uncertainties in terms of associated costs, will offset declines in almost every other category. It is hard to precisely quantify the speed bump on growth that this creates for the world, and as things stand right now, **deleveraging of household, corporate and sovereign balance sheets in the US and Europe is a much bigger risk for financial markets**. As I write this, Italy has entered an acute state of distress; its credit default swap spreads are now at levels which prompted bank runs in Greece and Ireland. In the long run, as we outline return expectations for the future, uncertainties related to energy availability are yet another reason why price-to-earnings multiples may remain well below their historic averages. A break in the chain of unfulfilled promises from breakthrough technologies will be needed to alter this view.



Source: U.S. Energy Information Administration.



Source: Energy Information Administration.

Absent an unexpected renaissance in cheap and abundant nuclear power, or unexpected solar breakthroughs[11], we seem to be in for another 20-30 years of reliance on fossil fuels. As a result, that's how our own energy-related investments have been positioned. Given the risks and returns associated with energy investing, a lot our exposure has been executed through private investments rather than public markets. Across the full range of energy-related investments in our private equity portfolios, roughly 70%-80% are related to conventional energy, and the remainder to a variety of renewable strategies.

**Conventional energy investments**. The majority of our conventional energy investments are "upstream" (exploration and production of oil and natural gas). The remainder are in midstream assets (pipelines/storage) and services, with very little in downstream assets (refining). On natural gas, new finds have been rewarding, even with natural gas prices at current (low) levels, since large major oil and gas companies aggregate proven reserves, and are willing to pay a premium for them given their long term horizons. On crude oil, many of our investments focus on so-called "renaissance" plays, which entail older, mostly depleted fields which majors sell as they reshuffle their reserve mix to higher-growth assets. Service companies include firms providing enhanced oil recovery, fracking and waste-water management. Other servicing investments are related to deep-

[11] **On Solar Energy.** The EIA projects that even after further investment and expansion, commercial (non-residential) solar power will make up less than 1% of US electricity generation in 2035. Solar power suffers from intermittency, low electricity conversion rates, and the recognition that real-life installations have higher operating and maintenance expenses than previously thought. A paper presented this year at the Syracuse Biophysical Economics Conference by an operator of solar plants in Spain estimates that after taking unexpected operating expenses into account, the energy return on investment for solar is closer to 3 than to 8.



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Thomas Fuller reported from Sacramento and Vivian Yee from New York.

# Suit Against California Relies on a Court Case Won by Obama in 2012

From Page A1

Stephen Vladeck, a law professor at the University of Texas, said history was repeating itself, but backward.

"The suit is modeled on the Obama administration's successful suit against Arizona," he said. But he added that "some of the key considerations are flipped."

In the Arizona case, conservatives insisted that respect for state sovereignty required letting states play a leading role in controlling immigration within their borders. But Mr. Sessions, a longtime conservative himself, disavowed that position in his speech on Wednesday. "Immigration law is the province of the federal government," he said.

Justice Antonin Scalia, the conservative jurist who died in 2016, took a different view of the Arizona case. In an impassioned partial dissent, he wrote that "it is easy to lose sight of the states' traditional role in regulating immigration — and to overlook their sovereign prerogative to do so."

There is no doubt that the California lawsuit is at odds with some of the Trump administration's usual positions. "It's a fascinating suit on a number of levels," Professor Vladeck said, "not the least of which is the aggressive assertion of federal supremacy by those who have usually been the most ardent defenders of states' rights in the deeply analogous contexts."

Cristina Rodriguez, a law professor at Yale, said she detected political parallels between the two suits.

"Both administrations claim that the state laws they challenge impermissibly interfere with the executive branch's ability to enforce the immigration laws," she said. "But both lawsuits are also clearly designed to take on visible and politically powerful local officials whose vision of immigration policy conflicts with the president's and his supporters'."

In a news conference on Wednesday, Xavier Becerra, the California attorney general, said he was ready for the fight. The state's laws, he said, were "fully constitutional and provide for the safety and welfare of all our people."

"California is in the business of public safety," he said. "We are not in the business of deportations."

The Justice Department challenged parts of three of California's so-called sanctuary laws. One restricts employers from cooperating with immigration officials. A second generally prohibits state officials from telling federal ones when undocumented immigrants are to be released from state custody. A third requires state officials to inspect some facilities that house people detained on behalf of the federal government.

Jennifer Chacon, a law professor at the University of California, Irvine, said the state laws had been carefully written to avoid direct conflicts with federal immigration laws. "I think it is clear that California deliberately tried to draft laws that involved core exercises of state police power in a way that did not run afoul of federal law," she said.

Each state law presents different issues, and courts may give varying answers depending on how directly the state laws conflict with federal ones. More generally, though, courts will take account of the Supreme Court's decision in the Arizona case, which called for collaboration rather than conflict.

"Consultation between federal and state officials is an important feature of the immigration system," Justice Kennedy wrote in the court's decision in the Arizona case.

Gov. Jerry Brown, a Democrat, has said that consultation is fine but that federal officials should not use California's resources to pursue undocumented Californians. The federal government, he added, may do so on its own.

"They are free to use their own considerable resources to enforce federal immigration law in California," he said in October in signing one of the challenged laws.

The Supreme Court has said that the federal government may not commandeer state resources to achieve federal objectives. In his speech on Wednesday, Mr. Sessions denied that anything like that was afoot.

"Contrary to what you might hear from the lawless open borders radicals," he said, "we are not asking California, Oakland or anyone else to enforce immigration laws."

"We are simply asking California and other sanctuary jurisdictions to stop actively obstructing federal law enforcement," he added.

But Professor Rodriguez said the commandeering issue was a substantial one. "To the extent the Trump administration's claims against California would produce an outcome that would effectively force states and localities to participate in immigration enforcement," she said, "there could be an unconstitutional commandeering."

Professor Spiro said that California may have the upper hand in the suit's early stages, as the issues in it are novel, leaving judges with substantial discretion.

The Trump administration has not fared well in federal courts in California in other cases concerning immigration, including ones challenging President Trump's efforts to restrict travel from predominantly Muslim countries and to rescind a program protecting some 700,000 young unauthorized immigrants from deportation.

But the ultimate fate of the suit will probably rest with the Supreme Court. In 2012, with what may have been unwarranted optimism, Justice Kennedy said he hoped that conflicts over immigration policy would be worked out through reasoned discussion.

"The national government has significant power to regulate immigration," he wrote. "The sound exercise of national power over immigration depends on the nation's meeting its responsibility to base its laws on a political will informed by searching, thoughtful, rational civic discourse."

NOAH BERGER/AGENCE FRANCE-PRESSE — GETTY IMAGES

Protesting a speech delivered by Attorney General Jeff Sessions in Sacramento on Wednesday.

*'The state may not pursue policies that undermine federal law,' a justice wrote.*

# Investigating Sexual Misconduct Accusations, Arizona State Suspends a Physicist

By KENNETH CHANG

Arizona State University has suspended Lawrence M. Krauss, a prominent theoretical physicist, while the university investigates accusations of sexual misconduct over a decade.

"In an effort to avoid further disruption to the normal course of business as the university continues to gather facts about the allegations, Krauss has been placed on paid leave and is prohibited from being on campus for the duration of the review," the university said in a statement released on Tuesday.

Last month, BuzzFeed reported that several women have accused Dr. Krauss of inappropriate behavior including groping women and making sexist jokes.

The university said it would not release any additional details until its investigation is complete.

Dr. Krauss, a professor in the university's School of Earth and Space Exploration, is director of Arizona State's Origins Project, a multidisciplinary research effort to tackle questions about life, the universe and complex social problems. He gained prominence for his book, "The Physics of Star Trek" in 1995. He later became one of the leaders of the so-called "skeptics" movement that espouses science over religion. He has also written essays and Op-Ed articles that were published in The Times.

Michael Crow, president of Arizona State, told The State Press, an independent student news organization, that the university had received no complaints of harassment against Dr. Krauss. The university started the investigation after being contacted by BuzzFeed.

Dr. Krauss moved to Arizona State from Case Western Reserve University in Ohio in 2008.

On Wednesday afternoon, Dr. Krauss posted a lengthy rebuttal to the BuzzFeed article. He said many of the incidents reported by BuzzFeed were based on unsubstantiated rumors and others were distorted and misleading.

"Has my language or demeanor sometimes made others feel uncomfortable?" Dr. Krauss wrote. "Clearly yes, and for that I sincerely apologize. Nevertheless, the BuzzFeed article effectively paints a false picture of me and my relationships with others through a mosaic constructed largely out of anonymous hearsay and a web of often vague innuendo."

The university is not the only one to take action against Dr. Krauss. The American Physical Society and other organizations have withdrawn invitations to Dr. Krauss for upcoming talks. The Center for Inquiry, an organization that promotes secularism, suspended its association with Dr. Krauss on Monday.

On Tuesday, Dr. Krauss resigned from the board of the Bulletin of the Atomic Scientists, which is best known for its Doomsday Clock that represents that danger of atomic war and other calamities to the planet. In his resignation letter, he said he was resigning from the board because he did not want to distract from the organization's work.

Additionally, a conference scheduled for next month to mark the 10th anniversary of the Origins Project has been canceled. "What we hope to do is reschedule it for another time," Dr. Krauss said in an interview on Wednesday.

CAROLYN KASTER/ASSOCIATED PRESS

Lawrence M. Krauss is director of Arizona State's Origins Project, a multidisciplinary research effort to tackle questions about life, the universe and complex social problems.

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**Topic: The quixotic search for energy solutions**

**Question #3**: What if the world ends up relying on coal for the next 100 years, and seeks to prevent further increases in carbon emissions. How large an undertaking is it to bury 15% of all $CO_2$ emissions?

| | |
|---|---|
| 33.2 | billion tonnes of $CO_2$ emissions (2010) |
| 5.0 | Sequestration target, billions of tonnes |
| *Now let's shrink the $CO_2$ by compressing it before burying it…* | |
| 0.80 | Compressed gas density, tonnes per cubic meter |
| **6.2** | Volume of compressed $CO_2$ to bury, billions of cubic meters |
| 3.9 | Amount of global crude oil extraction, billions of tonnes (2010) |
| 0.85 | Density of crude oil, tonnes per cubic meter |
| **4.6** | Volume of global crude oil extracted, bn cubic meters (2010) |

**Implication**: Capturing a small portion of $CO_2$ emissions requires a compression/transportation/storage industry whose throughput is greater than the one used for oil extraction; and without the benefit that oil provides as an energy input. Coal-fired plant capital costs could rise 40%-75% (as per IPCC), and their electricity consumption could rise by 30%-40% for CCS particulate removal and flue gas desulfurization. Unlikely in time to prevent a further rise in $CO_2$ emissions; unexplored legal and NIMBY issues as well.

**Question #4**: What would be the reduction in gasoline needs if the entire U.S. corn harvest not already used for ethanol were repurposed for more ethanol?

| | |
|---|---|
| 160,000,000 | US corn harvest, tonnes, 2010, not already used for ethanol |
| 159,667,200,000 | US corn harvest, kg, not already used for ethanol |
| 0.40 | Conversion ratio, liters of ethanol per kg |
| 63,866,880,000 | Liters of converted ethanol |
| 67% | Energy density of ethanol relative to gasoline |
| 42,699,571,200 | Effective gasoline-equivalent savings (liters) |
| 521,845,394,389 | Liters of total US gasoline consumption in 2010 |
| **8%** | Reduction in gasoline needs by repurposing entire corn harvest |

**Implication**: Benefits of corn ethanol appear to be close to their maximum production level. There is of course the issue of ethanol's "energy return on investment" (EROI), for which estimates range from 0.8:1 to 1.6:1. Charles Hall at SUNY ESF (originator of the EROI concept in the 1970's) published recent EROIs for oil (10-20); Tar sands and Shale Oil (3-5); Nuclear (5-15) and Wind (15-20, but that excludes the cost of back-up peaking plants). In that context, the EROI for corn ethanol, which excludes the various layers of subsidies involved, is well below the fully loaded economic benefits of other fuel sources.

**Question #5**: What about cellulosic ethanol? And what about using spent coffee grounds?

| | |
|---|---|
| 225,000,000 | Tonnes of US corn stover, annual |
| 224,532,000,000 | kg of US corn stover (using conversion factors from #4) |
| 40% | Amount that can be removed without destroying soil |
| 89,812,800,000 | Stover removed |
| 30% | Efficiency losses (evaporation, transportation, etc) |
| 62,868,960,000 | Remaining dry stover of uniform condition for conversion |
| 0.34 | *Theoretical* conversion ratio, liters of ethanol per kg of stover |
| 21,375,446,400 | Liters of ethanol produced from stover |
| 14,291,012,736 | Gasoline-equivalent ethanol from stover (see #4) |
| **2.74%** | Percent of gasoline needs reduced from conversion of stover |
| *And another fun fact…..* | |
| **0.16%** | Percent of global diesel fuel production offset by somehow gathering all of the world's spent coffee grounds and then converting them into biodiesel |

**Implication**: Apart from Brazilian sugarcane, which grows 365 days a year and needs no irrigation or fertilizer (it self-fertilizes), biofuels are challenged due to the cost of aggregation, low energy densities and high energy extraction costs. For algae limitations, see note 3.

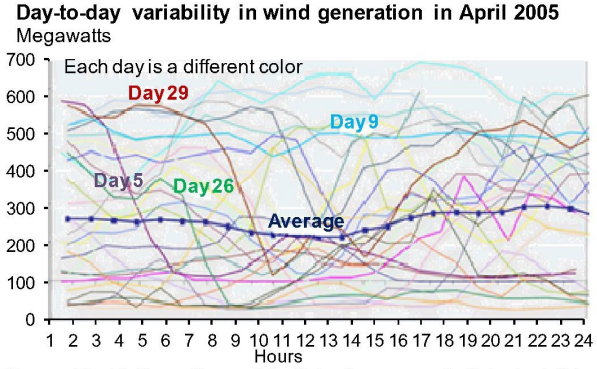
**Question #6:** How much area would be needed for a quarter of US electricity generation to come from wind?

| | |
|---|---|
| 2.3% | Wind as a % of electricity generation |
| 10 | Growth factor |
| 23% | Target wind generation |
| 95,000,000 | Existing wind generation, MWh, 2010 |
| 950,000,000 | Target MWh |
| 28% | Wind capacity factor |
| 387,312 | Required incremental MW of wind |
| 2 | watts per meter squared required for wind farms |
| **193,656** | square km of required area |
| *And on the need for expensive HVDC transmission lines…* | |
| 30,099,000 | US population living in prime wind and/or solar states [AZ, OK, NE, WY, CO, ND, SD, KS, IA, MT, NM + Northern TX] |
| 309,350,000 | US population |

**Implication**: 194 thousand square km is about the entire area of Nebraska. It would be a massive undertaking which requires, as stated earlier, hundreds of billions of dollars for new transmission lines. To be clear, land under wind turbines still have many practical economic uses. The larger issues are transmission and intermittency, as described below.

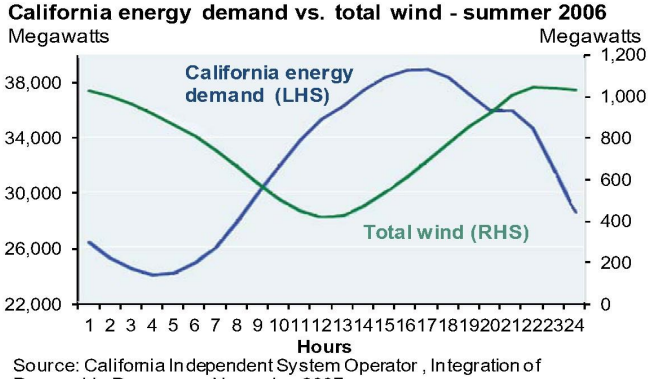
As for wind, let's put aside concerns about space requirements and transmission lines. Let's also put aside problems of wind's reliance on rare earths like neodymium for its turbine magnets (neodymium prices **quadrupled** this year, and that's with wind still making up *less than 3%* of global electricity generation). Let's also put aside debris (from birds/insects), ice storms and other natural elements that reduce wind farm efficiency. **The reason to put them aside: if wind were more reliable, like hydropower, it could justify a lot more expense and effort. Unfortunately, wind is not that reliable**. The first chart is the "Mona Lisa" of wind unreliability, measured at one of California's largest wind farms. The second is from the California Independent System Operator, showing how wind power tends to be low when power demand is high (and vice-versa).

**Day-to-day variability in wind generation in April 2005**




Source: Electric Power Research Institute. As measured in Tehachapi, CA

**California energy demand vs. total wind - summer 2006**




Source: California Independent System Operator , Integration of Renewable Resources, November 2007.

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Murphy and Brad Falchuk, assembled a large cast of transgender performers, and
theyâ€™re P-H-E-N-O-M-E-N-A-L. Standouts include Mj Rodriguez as a politically
conscious, HIV-positive house mother, and Indya Moore as Angel, a willowy femme whose
married boyfriend works for Donald Trump. Truly, the \u003Ci\u003Eentire\u003C/i\u003E
cast shinesâ€"from the get-go, weâ€™re deeply invested in their victories and
struggles. The costumes and sets are perfection, while the alternately intimate and
epic storylines shift from entertaining spectacle to gut-wrenching drama without
missing a beat. Above all, \u003Ci\u003EPose\u003C/i\u003E tackles dark realities like
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entertaining thriller, about a group of Florida women working in a nail salon while
laundering mob money, had us hooked from the start. Desna (the perfect Niecy Nash) is
exploring new relationships, both with her doctor boyfriend and her new (mafia) boss,
Zlata (explosive guest star Franka Potente). Virginia is staying devoted to Dean,
Desnaâ€™s autistic brother. â€œQuiet Annâ€ is reeling from her breakup with
girlfriendâ€"and detective on their caseâ€"Arlene. With a plethora of powerful women
and LGBTQ characters, and a no-holds-barred approach to topics from addition and
immigration to sex and family, thereâ€™s so much more happening here than just
seriously fierce nail inspo."},"trackCount":11,"nameSortValue":"Claws, Season
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strong control of the government and its high approval rating are steadily raising the chance of success. We stay overweight Japanese equities and grow wary of the short yen trade, as capital inflows and rising growth expectations (chart of right) are ultimately bullish for the currency. Watch next week's BoJ meeting, led by newly appointed Governor Kuroda, for new reflationary measures.

- The **Euro area** economy remains in recession, while policy makers are making little effort to reverse the contraction. We monitor signs of any large deposit flight post Cyprus over coming weeks and months to judge whether the bailout may actually be worsening conditions in the Euro. Economic forecast momentum remains negative (chart of right). These are good reasons to underweight the Euro area, if not all of Europe, across asset classes, against the rest of the world.

- The **US**, in contrast, is seeing better spending from both corporates and consumers than we could have expected post Fiscal Cliff and sequestration. But given the huge amount of fiscal drag, which is a fact, we want to see another 1-2 months of data before extrapolating the good news. It did support US equities in recent weeks, which continue to benefit from US corporates issuing debt to buy their own shares and others', through M&A. This corporate rotation from debt to equities is almost exclusively a US flow, which helps explain US equity outperformance.

- Across risk assets, we are similarly seeing huge delinking, with **equities** rallying greatly and **commodities and credit** seeing no gains (chart p. 1), very much unlike last year. Commodities are delinking as there are no growth upgrades in EM, and inflation concerns are concentrated on two countries, UK and Japan. Credit is delinking as most investors are massively overweight credit versus equities, as evidenced by the disparity in buying flows in 2011-12. Relevering by US corporate and the Fed debating the end of QE are signaling that the 3-decade long rally in bonds is likely over. Investors are starting to dollar-average away from bonds to equities.

## Fixed Income

- Bonds rallied again, except for Euro area peripherals, the source of this week's market concerns. The imposition of capital controls on **Cypriot** deposits is to be sure a watershed moment, but for now not one we expect to spark significant deposit withdrawals elsewhere. Meanwhile, the most likely outcome to the Italian impasse appears to be new elections in the autumn. With seemingly little prospect of a material rise in yields on the safest assets, we think the search for carry evident across the full gamut of asset markets will see peripheral spreads narrow over time.

- Ten-year **JGB** yields have rallied to within a few bps of their all-time low, ahead of next week's inaugural meeting for the new BoJ leadership. We do indeed expect aggressive easing, with JGB purchases out to 30 years, but think this will be trumped by profit taking in JGBs after the fiscal year end.

- Our latest Inflation Expectations Survey (F. Diamond, K. Gupta) was out yesterday. One interesting result is that almost 90% of respondents believe the BoJ has less than a 50/50 shot of hitting its 2% inflation target in two years, a reflection of the formidable challenge of sparking inflation expectations after two decades of falling prices.

## Equities

- The global rally in equity markets slowed this week, but did not reverse, on continued concerns about the fallout from a poorly executed Cyprus solution. The Euro area underperformed again, for a second week in a row. As discussed last week, we view Cyprus as a local problem that we address by **underweighting Euro area** equities in a global portfolio. A potential negative feedback loop from markets to the economy poses a serious downside risk for Euro area growth over coming months prolonging the current run of negative economic surprises from the region.

- **Japan** is the region we like the most. In our mind the Japanese equity trade has further legs not only due to prospective BoJ balance sheet expansion but more importantly due to a reform agenda to be unveiled into the summer.

- **EM** equities are suffering from renewed policy tightening in major EM economies such as Brazil and China. Investors have bitter memories of previous property tightening measures in China. As within DM, we see a lot of divergences within EM and prefer to focus on under-owned markets with good domestic demand story such as Mexico and Malaysia. See "Consensus Asset Allocation", Adrian Mowat and team, Mar 26th. Open overweights in Mexican and Malaysia equities vs MSCI EM.

- For long-term investors we just released our quarterly publication "**Trade opportunities for long term investors**" Mar 27. We monetize risk premia in Value stocks via a long in S&P500 Value vs S&P500 ETFs. It appears that a five year long underperformance of Value stocks has come to an end. We take profit on trades that monetize skew risk premia in S&P500 due to sharp contraction over the past quarter. We continue to monetize equity risk premia via buying high dividend yield equity ETFs against USTs. Our preference is to buy ETFs which track the S&P US Preferred stock due to its high yield, around 6%, and its high weight on Financials.

## Credit

- **The news flow from the Cypriot bailout continued to push spreads wider and vol higher this week,** with European Financials underperforming as creditor bail-in risks returned to the forefront. iTraxx senior and subordinated financials indices widened 20bp as investors sought to hedge via CDS rather than sell bonds. European credit continued to underperformed US credit.

- The fact that Cypriot banks debt is only 1.3% of total liabilities was a key factor in the decision to bail-in depositors. Yet events surrounding the banking sector restructuring **also suggest that keeping senior unsecured bondholders immune from costly bail-**

strong control of the government and its high approval rating are steadily raising the chance of success. We stay overweight Japanese equities and grow wary of the short yen trade, as capital inflows and rising growth expectations (chart of right) are ultimately bullish for the currency. Watch next week's BoJ meeting, led by newly appointed Governor Kuroda, for new reflationary measures.

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- **Japan** is the region we like the most. In our mind the Japanese equity trade has further legs not only due to prospective BoJ balance sheet expansion but more importantly due to a reform agenda to be unveiled into the summer.

- **EM** equities are suffering from renewed policy tightening in major EM economies such as Brazil and China. Investors have bitter memories of previous property tightening measures in China. As within DM, we see a lot of divergences within EM and prefer to focus on under-owned markets with good domestic demand story such as Mexico and Malaysia. See "Consensus Asset Allocation", Adrian Mowat and team, Mar 26th. Open overweights in Mexican and Malaysia equities vs MSCI EM.

- For long-term investors we just released our quarterly publication "**Trade opportunities for long term investors**" Mar 27. We monetize risk premia in Value stocks via a long in S&P500 Value vs S&P500 ETFs. It appears that a five year long underperformance of Value stocks has come to an end. We take profit on trades that monetize skew risk premia in S&P500 due to sharp contraction over the past quarter. We continue to monetize equity risk premia via buying high dividend yield equity ETFs against USTs. Our preference is to buy ETFs which track the S&P US Preferred stock due to its high yield, around 6%, and its high weight on Financials.

## Credit

- **The news flow from the Cypriot bailout continued to push spreads wider and vol higher this week,** with European Financials underperforming as creditor bail-in risks returned to the forefront. iTraxx senior and subordinated financials indices widened 20bp as investors sought to hedge via CDS rather than sell bonds. European credit continued to underperformed US credit.

- The fact that Cypriot banks debt is only 1.3% of total liabilities was a key factor in the decision to bail-in depositors. Yet events surrounding the banking sector restructuring **also suggest that keeping senior unsecured bondholders immune from costly bail-**

**Topic: The quixotic search for energy solutions**

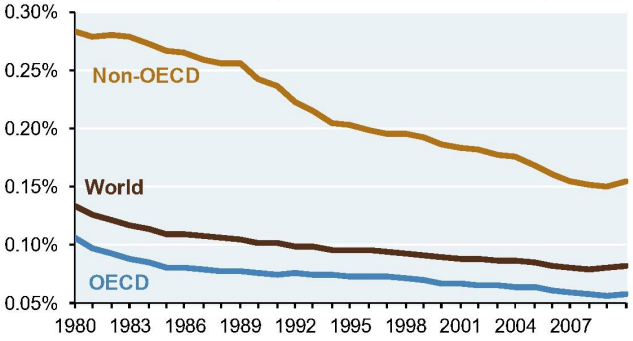
Wind should play an important role, but unless there is a high-voltage, high-capacity, high-density grid to accompany it (as in Northern Europe), or electricity storage, **the variability of wind means that co-located natural gas peaking plants are needed as well**. The cost of such natural gas plants are rarely factored into the all-in costs of wind, but perhaps they should be.

**These exercises are important, since unfounded expectations might lead to suboptimal policy choices.** One example: the Keystone Pipeline extension, which the President has opted not to consider until after 2012. The US imports more oil from Canada than from any other country. With the extension, the Keystone system would account for 13% of US petroleum imports. The pipeline has been opposed on environmental grounds, but the extension itself would only add 1% to the entire network of crude oil and refined product pipelines already criss-crossing the US. Moving petroleum products by rail or truck instead is more expensive and riskier. If the US does not provide a market for the Alberta tar sands oil, it could end up on tankers to China; and the US will end up importing more of its energy needs from the Persian Gulf and Venezuela. Could misperceptions about wind, solar and biofuel[8] feasibility explain why some people are opposed to this extension? Unclear.

**The art of the possible**

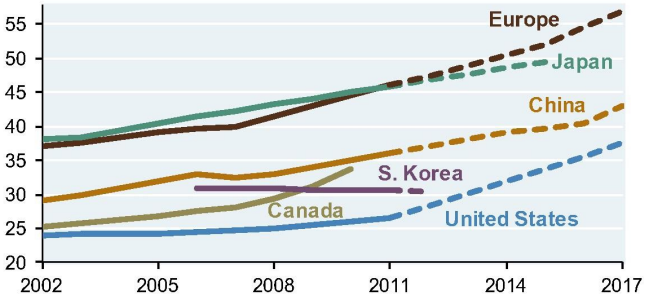
Now let's take a (desperately needed) look at some good news. Over the last 3 decades, the oil intensity of the developed world has been falling, followed by non-OECD countries (see first chart). **This is not meant to suggest that declining availability of cheap crude oil isn't a problem, since it is.** There are lots of studies showing rapid declines in the production rate of existing crude oil fields, and that the discovery of new fields is (a) not keeping up, and (b) are located where marginal costs of extraction are considerably higher. No need to repeat them here. But oil's importance to economic growth has been declining over time, and there is no reason to believe that these improvements have completely run their course.

**Oil intensity declining worldwide**
Billions of barrels/real GDP (constant 2000 USD, trillions)




Source: ISI Group, International Energy Agency, World Bank.

**Actual and projected fuel economy for new passenger vehicles by country,** Miles per gallon




Source: The International Council on Clean Transportation, United Nations Department of Economic and Social Affairs.

There is also room for reduced fuel consumption, although here's another case where energy fairy tales might have postponed smart policy choices. While waiting for a holy grail, the US left fuel efficiency standards unchanged from 1983 (light trucks) and 1987 (cars) until 2010. Chrysler head Lee Iacocca said this in 1986 when Ford/GM lobbied the Reagan Administration to lower ("CAFE") fuel efficiency standards: "**We are about to put up a tombstone that says, 'Here lies America's energy policy'. CAFE protects American jobs. If CAFE is weakened now, come the next energy crunch, American car makers will not be able to meet demand for fuel-efficient cars.**" Well, the rest of the world kept on truckin' as he suggested, and have more efficient fleets (see chart). If the US fleet were 30% more efficient, US gasoline consumption could fall by 40 billion gallons per year (~1 billion barrels). For context, the US imports 0.36 billion barrels of crude per year from Venezuela, and 0.62 billion from the Persian Gulf. The US just increased fuel efficiency standards, but it will take time to make an impact.

**Other possible good news includes ongoing research by Daimler Engine Research Labs on improving gasoline engines**, something the world should not give up on just yet. Prototypes with fewer cylinders and smaller displacement may yield a car with both lower fuel consumption and lower emissions, eventually at fuel efficiencies greater than hybrids like the Prius. The US Recovery Act included $100 million for Advanced Combustion Engine Research and Development; it could be money well spent. One example the DoE is working on: semiconductors, powered by the heat exiting the car in its exhaust pipe, used to create electricity and power the car's accessories, which are usually powered by belts driven by the car's engine.

[8] Here's one view on biodesel from Giampetro (Barcelona) and Mayumi (Tokushima), authors of "*The Biofuel Delusion*" [2009]: "The promise of biofuels as a replacement to fossil fuels is in fact a mirage that, if followed, risks leaving us short of power, short of food, destroying biodiversity and doing as much damage to the climate as ever."

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helped cushion portfolio returns when markets declined. We won't know until the data comes in, but we expect the same to happen this time.

[5] The "Eye on the Market" has endlessly chronicled this year the fissures which are now affecting financial markets: European sovereign risk and inadequate bank capitalization; weak labor compensation as an Achilles heel of the US profits recovery, given its negative impact on spending; the political divide in Congress over how to deal with falling government revenue and rising entitlement spending; inflation risks in Asia and Latin America and the resulting need for more policy tightening; and the mixed track record of low interest rates to sustainability solve structural problems. The cover of the 2011 Outlook (a printing press, out of control) expressed our concern regarding a recovery built upon a stimulus machine. I would contrast this with the cover of a competitor's 2011 publication, which had a picture of George Washington crossing the Delaware, with the caption "America's structural resilience, fortitude and ingenuity will carry the economy and financial markets in 2011 – and beyond". **Our job is not to point to where we would like the financial markets to go, but rather to point to where they might end up**. It's like the scene in Oliver Stone's *Nixon*, when Nixon looks up at a portrait of JFK and says, "*When they look at you, they see what they want to be. When they look at me, they see what they are*." Our job is to see financial markets for what they are.

[6] All that said, we have lessons to learn here.

Too many of our investment discussions this year focused on the negative real return characteristics of cash, and why to reduce it. In a world of deflation risk on financial assets (rather than of goods and services), cash retains substantial option value at times like these.

We could have connected the dots more aggressively on our views on weak growth and easy monetary policy, and owned more gold. While we have had rising price forecasts for gold and owned it in portfolios, we did not have large enough allocations.

Given the all-time high of US government transfers to households and negative real interest rates, we should not have interpreted positive economic data earlier this year as being highly representative of the true run-rate of the US economy. The same goes for the global economy, which has been the beneficiary of a lot of stimulus that is now fading, for a variety of economic and political reasons.

Great corporate profits are no guarantee against a problem in financial markets. Corporate profits and P/E multiples were fine in June 2007, but rested on top of a systemic problem in private sector credit markets and private sector balance sheets. This year, strong corporate profits and low P/E multiples sit on top of systemic problems in public sector finances.

[7] In the wreckage, as usual, there are opportunities, and we will be reviewing them with you in the days ahead. There is a benefit to having held back on our firepower this year. With risk to spend held in reserve, there are oversold assets with considering, particularly among multinationals with strong balance sheets, high dividends and which trade at very low multiples, something we reviewed earlier in the week."

Michael Cembalest
Chief Investment Officer

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advice from I wanted to know if that made a difference to her. Re asking her for dinner.. I have gone back over emails from that period. I have numerous requests from her asking me to go for coffee to talk, which I usually had to turn down because I was busy, and on several occasions sh specifically asked me to have coffee with her off campus to talk, and I politely declined. I did let her accompany me off campus one time to watch me do a BBC interview because she specifically requested it. I did and do have coffee and meals with students on campus, and I see nothing wrong with this. I try to treat even students as respected colleagues if possible. I was shocked when I later learned of the complaint she was apparently asked to lodge to the University, not least because there was no inappropriate interaction and also because, well after the dates you listed on which she was apparently offended, she continued to email me with joking questions or comments. Also, at a later AAAS conference, again in 2008, for which she had asked, and for which I had written her a letter of recommendation to attend, my wife and I gave her a lift in our taxi well out out of our way in order to drop her off at her hotel, and I note in an email response to her email about the conference, agin in 2008, I expressed that I would pass her regards along to my wife and vice versa. When the University later informed me of the complaint I was shocked and concerned. When I spoke to the human resources person, including relating my concerns and providing the emails in question, I was told that no formal complaint of sexual harassment was deemed at that time to be called for, and that the young woman in question had agreed to that. By that time I learned of the complaint I had already announced my intentions to leave Case to accept an offer at ASU—a very difficult decision for me because of my long-standing attachment to the University, and the excellent relations I had with my colleagues there, both among the faculty and among the administration. Because I was already in Arizona at the time I was asked not to have any further interaction with the student I agreed to that request, both to respect her sensitivities and also because it was basically moot because I was not on campus. I was also told that because it was being handled informally, that (a) it should remain confidential, which I, at least abided by, and (b) if no further complaints were lodged in that case, that the University would remove the complaint from my record after 5 years, which makes me surprised that someone violated that written agreement with you.

Re item 6: You report on ASU's response to item #6 , without including the fact that the University specifically stated there were never any allegations of sexual misconduct or harassment by me at the University, and morever the outside complaints were in fact related specifically to your item #6. Further you neglect to mention that this complaint was by an anonymous third party, not the individual who was allegedly harassed, who never lodged a complain, and that no specific evidence was provided of the alleged transgression. I was surprised and dismayed that both ASU and ANU launched investigations on the basis of this but was told by both Universities that because of my high profile even such unsubstantiated third party complaints at private events unrelated to the University would be investigated. The complaint was investigated throughly by both ASU and ANU and both came to the conclusion that it was not credible and no university policies had been violated. . In addition ANU's investigation, which took a full month found significant inconsistencies in the allegation, suggesting distortion and fabrication, I will quote from the ANU report. The initial complaint, which in fact resulted in a temporary suspension of my position at ANU, until it was dismissed, outlined the claim you made in the words you quoted in your note to me, but it also stated

"It is the University's understanding that a complaint was lodged directly to the conference organisers at the time of the incident."

After the month-long investigation, during which I was told I was not to interact with anyone on campus (again moot because I was a hemisphere removed) the final report absolved me of any wrongdoing, and indicated information inconsistent with the original claim and apparent later claims as follows in the report, from which I quote:

"The allegations were made by an observer to the incident.
- The complaint did not identify, nor disclose the identity of the conference attendee who was allegedly touched in
an unwelcome manner.

Yet terrorism is only one of three levels upon which the threat is attacking us and al-Qaeda is only a piece of the terrorism level. The second level, the "Civilization Jihad," a term used by the Muslim Brotherhood itself to describe its long term effort to peaceably infiltrate American and Western society at all levels in order to bring it down from the inside through the freedoms that Western Constitutions afford, is well at work and in process today. This has also been called the "Stealth Jihad."

There is a third level, the "International Institutional Jihad," upon which organizations such as the UN, along with its 57 Member State bloc the Organization of the Islamic Conference, work to push through those principles of Sharia Law and Islamic doctrine which it Members can agree upon such as the 1990 Cairo Declaration of Human Rights which is fully at odds with U.S. Constitutional tenets. Once these principles become international standards, the institutions seek to push them into Western societies through treaties and trade deals over which the Members have leverage.

McDonough's words, by limiting the threat to Al Qaeda, intentionally ignore the other levels of threat which, for all intents and purposes can be even more dangerous because our Constitution does not afford us easy means to combat. Nor does our desired general sense of morality.

2. By focusing on "reasons" for this terrorist piece of the pie, the Control Factor further sets out the narrative that we can gain control over the problem. By looking for "root causes," we advance the notion that by eliminating or reducing those elements we can eliminate the symptom-terrorism. This is part of a long-engaged Leftist narrative that has been utilized across a vast array of social problems in order to gain control over funding and policy. Now, it is being used to avoid seeing a problem clearly, much less addressing it intelligently.

It is this administration's (and also, unfortunately, many members of Bush's as well) distortion to frame terrorism as a result of victimhood. That is, by establishing the root causes of terrorism as either a response to U.S. policy, to economic conditions, to Israeli occupation, and so on, the Control Factor sells the buried wish that since we cause the conditions, we can fix the symptom without the grueling costs of war and confrontation. When both sides collude in this form of narrative, we allow it to continue and grow. Yet placing the cause of the problem within ourselves is false and strips us of the proper incentive to stand up and fight against a threat that simply seeks our destruction no matter what we do.

3. McDonough fights the enemy's battle for us in the simple phrase of those "who falsely claim to be fighting in the name of Islam." Here, the Control Factor refuses to accept what the enemy has repeatedly made clear—there is a Holy War between Islam and the Western world, it has been declared by a significant faction of Muslims and agreed upon by many more either explicitly or through silence and omission, and the war is defined by the enemy itself under the banner of Islam to seek the destruction of Western society as it is and to replace it with a Sharia based global Islamic Ummah. This is what the enemy says itself. The Control Factor tells us that this can not be, that Islam is a "peaceful" and "great" religion that has been "hijacked" by a few "crazies" and that most Muslims worldwide are much like us peace loving Westerners who seek a world based on mutual tolerance. If there is any "war," it emanates from those of us Westerners who are "racists," "bigots," or otherwise and fail to acknowledge the realities of the Muslim peoples. The critical issue here is that the Control Factor, as expressed through McDonough, takes full responsibility for defining Islam and identifying the enemy. The enemy, however, defines itself and needs to identify itself both through its actions, its words, and importantly what it does not do and say.

This "transfer of responsibility" from the enemy to ourselves that McDonough's words so freely take on is symptomatic of the deep addictive style the West has adopted to avoid hard confrontation. Once again, the Control Factor utilizes Western guilt to define the conflict as resulting from improper acts of its own. It then seeks to redeem itself by accommodating the enemy. This shows up in America's dealings with Islam as well as the "Israeli-Palestinian Conflict;" responsibility for the problem is transferred to the West or Israel in a grand psychological effort to avoid facing the terrors and costs of hard confrontation, terror, or war. And in each example, as with all psychological defenses, the defense creates the very conditions it seeks to avoid. Until the West is fully able to place responsibility back upon the Islamic world for the actions it takes and omits to take, the West will only dig itself deeper into a weaker position. Unfortunately, the game of guilt gives us no guidance as to how it is to end; when enough has been repaid. Instead, it is geared to continue indefinitely.

My own business perspective has been limited to that small hotel and restaurant in Stratford, Conn., with an especially difficult lease and a severe recession. But my business associates and I also lived with federal, state and local rules that were all passed with the objective of helping employees, protecting the environment, raising tax dollars for schools, protecting our customers from fire hazards, etc. While I never doubted the worthiness of any of these goals, the concept that most often eludes legislators is: `Can we make consumers pay the higher prices for the increased operating costs that accompany public regulation and government reporting requirements with reams of red tape.' **It is a simple concern that is nonetheless often ignored by legislators [e].** For example, the papers today are filled with stories about businesses dropping health coverage for employees. We provided a substantial package for our staff at the Stratford Inn. However, were we operating today, those costs would exceed $150,000 a year for health care on top of salaries and other benefits. There would have been no reasonable way for us to absorb or pass on these costs.

Some of the escalation in the cost of health care is attributed to patients suing doctors. While one cannot assess the merit of all these claims, I've also witnessed firsthand the explosion in blame-shifting and scapegoating for every negative experience in life. Today, despite bankruptcy, we are still dealing with litigation from individuals who fell in or near our restaurant. Despite these injuries, not every misstep is the fault of someone else. Not every such incident should be viewed as a lawsuit instead of an unfortunate accident. **And while the business owner may prevail in the end, the endless exposure to frivolous claims and high legal fees is frightening**.

Our Connecticut hotel, along with many others, went bankrupt for a variety of reasons, the general economy in the Northeast being a significant cause. But that reason masks the variety of other challenges we faced that drive operating costs and financing charges beyond what a small business can handle. It is clear that some businesses have products that can be priced at almost any level. The price of raw materials (e.g., steel and glass) and life-saving drugs and medical care are not easily substituted by consumers. It is only competition or antitrust that tempers price increases. Consumers may delay purchases, but they have little choice when faced with higher prices. In services, however, consumers do have a choice when faced with higher prices. You may have to stay in a hotel while on vacation, but you can stay fewer days. You can eat in restaurants fewer times per month, or forgo a number of services from car washes to shoeshines. Every such decision eventually results in job losses for someone. And often these are the people without the skills to help themselves--the people I've spent a lifetime trying to help.

In short, "one-size-fits-all" rules for business ignore the reality of the market place. And setting thresholds for regulatory guidelines at artificial levels--e.g., 50 employees or more, $500,000 in sales--takes no account of other realities, such as profit margins, labor intensive vs. capital intensive businesses, and local market economics. The problem we face as legislators is: **Where do we set the bar so that it is not too high to clear? I don't have the answer. I do know that we need to start raising these questions more often.**

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**So, there you have it, one of the more remarkable epiphanies in American politics: a paean to entrepreneurship and government restraint from one of its most progressive members**. Public epiphanies like this are rare, but there have been others. Last year, Al Gore conceded that first-generation ethanol was "not good policy" given its low energy conversion ratios, and said he had supported ethanol out of "a certain fondness for the farmers in the state of Iowa because I was about to run for president" [f]. In 2008, former Fed Chair Greenspan conceded that his Ayn Rand philosophies regarding regulations and shareholder self-interest were flawed. Perhaps the most famous epiphany was from Robert McNamara, Secretary of Defense and one of the principal architects of the Vietnam War. In 1995, he conceded that he was "wrong, terribly wrong" about the war. George McGovern was one of the war's fiercest opponents, saying on the floor of the Senate, "I'm tired of old men dreaming up wars for young men to fight".

There may be no magic elixir of policies to speed the adjustment the US faces. Look at it this way: the US is trying the mega-stimulus route, while the UK has accelerated its fiscal austerity program. Yet both countries are struggling with below-trend growth and employment. Perhaps after a debt binge, there are no easy answers, other than time. What to do next? McGovern's article suggests that an overly interventionist public sector may be the wrong answer, given the unintended consequences.

Michael Cembalest
Chief Investment Officer

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**Attachments:** 08-04-11 - EOTM - Market update.pdf

This is a little unorthodox, but here is the text of an internal note that I just sent to our integrated Private Bank client coverage teams a few moments ago. Mary thought it would be a good idea to share this with our clients given the events of the day.

"Here is what I plan to say at our Aspen Insights conference tomorrow about today's events. The last two weeks have been a severe setback for financial markets and the global recovery.

**[1] Today, Italian equity markets sold off sharply and were eventually shut down after the ECB (for now) rejected being the buyer of last resort for Italian government bonds, as the markets were hoping. The Bundesbank apparently has objections to the idea.** This is a problem: Italy has issued around as much public debt as Germany, but is a considerably smaller country with almost twice the debt load as a percentage of its GDP. Absent a decision by Germany to move to Federalism or a lot more debt monetization by the ECB, the European Monetary Union (as it is currently configured) could be facing its final stretch. Today's reported move by Italian regulators to seize documents at Moody's regarding declines in Italian bank stocks is an indication of the pressure the system is under, and the possible search for scapegoats. I don't think you will find a firm that has written more often and more direly about the structural inconsistencies of the EMU than we have (I have a 2-year bibliography of what we said and when, if anyone wants it). The "*Sick Men of Europe*" paper from February 2010 and "*Don Quixote Thanksgiving*" from November 2010 go into the greatest detail on why. Our concerns sky-rocketed upon Greece's financial disclosures in November 2009, after which we took portfolio decisions to back that up, purging exposures to the GIPSI countries from our credit, government bond and equity portfolios. Since early 2010, our underweight positions in Europe represent the largest regional underweights we have ever held.

**[2] Will there be another recession in the US? Our friend Marty Feldstein at Harvard puts the odds at 50-50.** Sell side and buy side economists missed last month's US economic rollover by a country mile, so I am not sure how much weight to put in their current forecasts. Most summarily dismissed our concerns that the recovery earlier this year had elements of a stimulus-driven mirage. Bridgewater Associates was the only firm we spoke to that consistently highlighted the broader process of household deleveraging; and cautioned that when stimulus faded, so would the US economy, given the weakness in household income. Their insights have been invaluable to us in terms of not stepping into this and taking too much risk prematurely during the three market swoons this year. Our central scenario for the US in 2012 is not another recession, but low growth in the 2.0% range, which is enough of a problem given the low job creation that entails. Note that the CBO assumes growth rates of 3.0% to 3.6% over the next few years in their analyses of future US federal debt levels.

**[3] Do not blame today's events on the debt ceiling debate, US politicians or European regulators. If we get to the point where economic and profit fundamentals in a given market or region are not sustainable on their own, then we should be underweight that region (as in Europe).** Owning an asset class under the assumption that there will always be a "*Lord of the Flies*" type rescue from Central Banks and Treasuries is very risky, and historically, fraught with failure. I remember similar logic in the summer of 1998, when the accepted mantra was that the US would bail out Russia and Boris Yeltsin, since President Clinton would not want to see a nuclear power like Russia slide back into Soviet rule, or anarchy (that view turned out to be wrong). Anyone market-weight European risk out of the expectation that "Trichet and Merkel will fix surely it" is taking a binary risk that impossible to handicap. Similarly, we should not start buying anything just because we think Qe3 is coming in the US (in the form of securities purchases, a permanently controlled long bond, etc).

[4] When we began this year, I made the following decision: **we would risk underperforming if there was a strong equity rally, out of concerns about the macroeconomic landscape (weakness in the West, inflation in the East).** As a result, we have held less equity exposure than usual for a period of high margins, low P/E multiples and strong earnings. Instead, we've held larger exposures to investment grade and high yield credit, and hedge funds. Over the last couple of years, our hedge funds (long-short funds with low net positions, macro hedge funds, distressed credit) have

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**Sent**: 12/19/2015 2:36:13 AM
**To**: Epstein, Jeff [jeevacation@gmail.com]
**Subject**: My review today in wsj of conspiracy theories

**Importance**: High

They're Not Really Out to Get You
By EDWARD JAY EPSTEIN
Dec. 18, 2015, Wall Street Journal
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Conspiracy, a word derived from the Latin "to breathe together," has been a salient part of the darker side of recorded history ever since some 60 conspirators in the Roman senate, including Brutus and Cassius, plotted together to assassinate Julius Caesar in 44 B.C. Nowadays the "C" word does not always sit well with journalists, who commonly employ it in conjunction with "theory" to describe paranoid distortions of reality.

Even so, a criminal conspiracy is not a rare phenomenon. Not only was a foreign conspiracy responsible for the monstrous 9/11 attack on the World Trade Center (as well as the previous attempt to blow it up in 1993) but, according to the Center on Law and Security at Fordham University, over 90% of routine federal indictments for terrorist attacks since 9/11 contain at least one conspiracy charge. The government's pursuit of conspiracies is by no means limited to terrorism. Conspiracy charges are the rule rather than the exception in cases brought against businessmen accused of fixing prices, evading environmental regulations, using insider information or laundering money.
But there are also pseudo-conspiracies that exist only in a delusionary or misinformed mind. And some of them achieve a huge following. In Pakistan, according to public opinion polls, a majority of the population believes that the 9/11 attack was staged by President George W. Bush to launch a war on Islam. The claim that the 1969 moon landing was faked is still around. Just two days ago a crew from a Russian TV channel rushed to my apartment to interview me about a viral post on YouTube in which the deceased director Stanley Kubrick supposedly made a deathbed confession to having filmed the landing in a Hollywood studio—even though everything about the post, including a fake Kubrick, was untrue.

Why people believe in pseudo-conspiracies is the focus of Rob Brotherton's fascinating book "Suspicious Minds." Mr. Brotherton, an academic psychologist, advances the thesis that the belief in pseudo-conspiracies proceeds from the "quirks and foibles" in the way that the human brain, or at least some human brains, process evidence. He lucidly reviews studies showing common defects in the brain's wiring, such as the bias that selects evidence to confirm rather than undermine a pre-adopted thesis. "We seek what we expect to find," as Mr. Brotherton puts it. Relatedly, "biased assimilation" causes us to "interpret ambiguous events in light of what we already believe."
Discussing Richard Hofstadter's 1964 essay "The Paranoid Style in American Politics," Mr. Brotherton accepts Hofstadter's characterization of proponents of politically motivated conspiracy theories as "paranoid" and suffering from "a psychic phenomenon" that prevents them from seeing the absurdity of their position. But he disagrees with Hofstadter that this condition affects only a small number of people on the fringes of society. For Mr. Brotherton, "conspiracy theories thrive in the mainstream." Until the controversy over the validity of Warren Commission's 1966 report on the Kennedy assassination, the phrase "conspiracy theory" had a more neutral meaning, suggesting a plausible yet unproven claim about multiple actors in a single event. Only in the aftermath of the Warren Commission did it become a derogatory term used to suggest theories that subvert conventional wisdom. To those who doubted the commission's finding that a single gunman killed Kennedy, Earl Warren became, Mr. Brotherton's says, the "figurehead in a vast cover-up."

It is not easy to find an objective criterion that distinguishes the inquiry into a real conspiracy from one that chases a pseudo-conspiracy. Both types rely are the eyewitnesses, documents and forensic evidence. The best that Mr. Brotherton can offer on this score is to cite Stewart Potter's famous comment on pornography: "I know it when I see it." In the context of suspicious minds, though, one person might see a plausible case for a conspiracy and another only outlandish connections. The distinction is in the mind of the beholder.

Mr. Brotherton offers a sample list of conspiracy theories, including ones alleging that Abraham Lincoln was assassinated on the orders of his vice president; that the moon landing was faked; that Area 51 in New Mexico is home to extra-terrestrial technology under government auspices; that President Obama is "a communist Muslim from Kenya." Such theories are meant to show that suspicious minds leap to absurd conclusions. These are chosen because there is no evidence to support them.

The picture changes, however, if we consider, for example, the theory claiming that Lincoln's assassin, John Wilkes Booth was part of a larger conspiracy backed by the Confederacy. On April 14, 1865, at about the same time that Booth shot Lincoln, one of his associates stabbed Secretary of State William Seward and another stalked Vice President Andrew Johnson with a loaded gun. The military commission appointed by President Johnson, after hearing 371 witnesses testify and after examining Confederate bank transfers and cipher communications, concluded that the three attacks were part of a conspiracy sponsored by the Confederacy and convicted eight of Booth's associates, four of whom were hanged. Here we have a conspiracy theory proceeding not from crackpots but from a government commission backed by the new president and most members of Lincoln's cabinet.

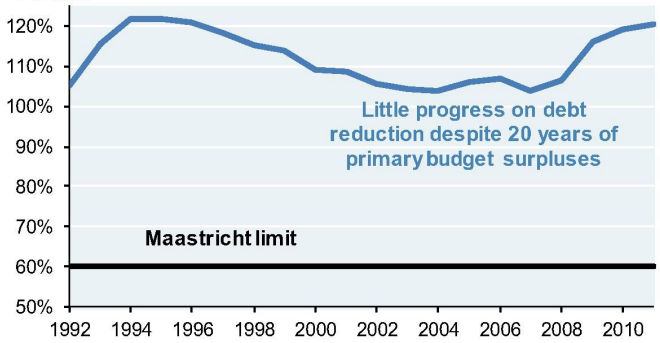
**Topics: Portfolios, US corporate profits and the Twilight of the Gods (in the US, Europe, China and the IEA)**

**Twilight of the Gods, part 4:**
**Is Europe just trying to save its banking system, or is a more comprehensive move towards Federalism underway?**
I expected French proposals on a Greek debt exchange to begin to spell out the sacrifices private sector investors will have to make as Greece spirals towards insolvency. As shown below, I was wrong about that. French proposals don't entail any specific commitments by banks, and are merely non-binding indications of interest by banks to roll over debt at some point in the future as it matures. If bank rollovers of Greek debt or Greek government asset sales fall short of the mark, the EU and IMF appear committed to providing Greece with funds to pay off maturing debt anyway. The EU taxpayer continues to foot the bill.

**Binding commitments from EU banks to roll over Greek debt as per French posposal,** Euros in billions

*This chart intentionally left blank since there are no binding committments at all*

**Italy gross debt to GDP**
Percent




Source: International Monetary Fund.

**So to be clear, the *Twilight of the Gods* has not arrived in Europe, since the EU appears determined to spend more money to prevent a sovereign default.** I see why they are worried about contagion. The latest signs: Portugal downgraded to junk; long-term debt of 3 French banks put on downgrade watch; and stress in European unsecured interbank markets[6], now affecting **Italian banks** which rely heavily on them. Italian bank and insurance company holdings of their own government bonds is 2x-3x higher than the rest of the region, creating the potential for a vicious circle if something goes wrong. Italian banks are better-capitalized and have higher quality assets than banks in other European countries, since Italy did not experience a large boom-bust in residential property, or a consumer debt binge. However, like Greece and Ireland, Italy's debt/GDP ratio is above 100%, and the country suffers from low growth (the lowest in the world from 2000-2010 other than Zimbabwe and Haiti, according to the *Economist*). Think about this: **Italy has run a primary budget surplus (i.e. ex-interest payments) every year since 1992, but still hasn't been able to bring its debt ratios below 100% of GDP**. Italy was making progress, but the recession derailed them, leaving Italy with the same elevated debt burden they started with 20 years ago.

I believe that eventually, the constituency of the European Monetary Union will have to change. However, my colleagues in J.P. Morgan Securities' economics group disagree. They believe that the EMU will survive intact, and believe that Europe is moving towards Federalism, with this crisis as the basis for putting it in place. I have been a skeptic of this idea; **how can a region use the structural failures of its current model as an excuse for expanding it**, particularly when popular support for the European project is at such low levels[7]? The history of Europe does show that revolutions are often imposed from above (e.g., Peter the Great, Otto von Bismarck, Napoleon) rather than below, so anything is possible. If my colleagues are right, losses suffered by holders of Greek, Irish and Portuguese debt may be a lot less than what's priced in right now. I don't have the conviction to make that kind of call, at least not yet; geopolitical investing is a very hard thing to do. **We remain cautious on Europe; are underinvested in government debt, corporate credit and equities across the region; and expect a Greek sovereign debt restructuring within the next 18 months (**see chart from "*Five Stages of Greece*", June 30, 2011 ).

Michael Cembalest
Chief Investment Officer

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[6] JP Morgan's Prime Money Market Fund is indicative of industry concerns about a liquidity squeeze. The fund holds no Greece, Portugal, Ireland or Spain. Its Italy holdings are less than 2% of the fund, and the portfolio manager does not expect to roll them when they mature.

[7] A 2010 Eurobarometer Poll showed very low readings on whether "Membership in the EU is a good thing". More recently, the centre-left Foundation for European Progressive Studies polled EU civil servants (a pro-EU constituency if there ever was one) and found that a majority believe that "the European model has entered into a lasting crisis". Only a quarter of respondents saw the EU as having evolved positively over the last decade, or believe that the December 2009 Lisbon Treaty has had a positive effect.



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**From:** [redacted]
**Sent:** 2/6/2011 8:26:59 AM
**To:** jeeproject@yahoo.com
**Subject:** You should see this movie/documentary

Inside Job (2010)
NYT Critics' PickThis movie has been designated a Critic's Pick by the film reviewers of The New York Times.

Sony Pictures Classics
Henry Paulson, Ben Bernanke and Timothy Geithner in the documentary "Inside Job."
Who Maimed the Economy, and How
By A. O. SCOTT
"Inside Job," a sleek, briskly paced film whose title suggests a heist movie, is the story of a crime without punishment, of an outrage that has so far largely escaped legal sanction and societal stigma. The betrayal of public trust and collective values that Mr. Ferguson chronicles was far more brazen and damaging than the adultery in Nathaniel Hawthorne's novel, which treated Hester more as scapegoat than villain.
The gist of this movie, which begins in a mood of calm reflection and grows angrier and more incredulous as it goes on, is unmistakably punitive. The density of information and the complexity of the subject matter make "Inside Job" feel like a classroom lecture at times, but by the end Mr. Ferguson has summoned the scourging moral force of a pulpit-shaking sermon. That he delivers it with rigor, restraint and good humor makes his case all the more devastating.
He is hardly alone in making it. Numerous journalists have published books and articles retracing the paths that led the world economy to the precipice two years ago. The deregulation of the financial services industry in the 1980s and '90s; the growing popularity of complex and risky derivatives; the real estate bubble and the explosion of subprime lending – none of these developments were exactly secret. On the contrary, they were celebrated as vindications of the power and wisdom of markets. Accordingly, Mr. Ferguson recycles choice moments of triumphalism, courtesy of Lawrence H. Summers, George W. Bush, Alan Greenspan and various cable television ranters and squawkers.
Even as stock indexes soared and profits swelled, there were always at least a few investors, economists and government officials who warned that the frenzied speculation was leading to the abyss. Some of these prophets without honor show up in front of Mr. Ferguson's camera, less to gloat than to present, once again, the analyses that were dismissed and ignored by their peers for so long.
Dozens of interviews – along with news clips and arresting aerial shots of New York, Iceland and other disaster areas – are folded into a clear and absorbing history, narrated by Matt Damon. The music (an opening song, "Big Time," by Peter Gabriel, and a score by Alex Heffes) and the clean wide-screen cinematography provide an aesthetic polish that is welcome for its own sake and also important to the movie's themes. The handsomely lighted and appointed interiors convey a sense of the rarefied, privileged worlds in which the Wall Street operators and their political enablers flourished, and the elegance of the presentation also subliminally bolsters the film's authority. This is not a piece of ragged muckraking or breathless advocacy. It rests its outrage on reason, research and careful argument.
The same was true of Mr. Ferguson's previous documentary, "No End in Sight," which focused on catastrophic policies carried out in Iraq by President George W. Bush's administration just after the overthrow of Saddam Hussein. But whereas that film concentrated on a narrow view of a complex subject – the conduct of the war rather than the at least equally controversial rationale for fighting it – "Inside Job" offers a sweeping synthesis, going as far back as the Reagan administration and as far afield as Iceland in its anatomy of the financial crisis.
Perhaps unsurprisingly, many of the highest-profile players declined to be interviewed. Mr. Summers appears only in news footage, and none of his predecessors or successors as Treasury secretary – not Robert E. Rubin or Henry M. Paulson Jr. or Timothy F. Geithner – submit to Mr. Ferguson's questions. Nor do any of the top executives at Goldman Sachs or the other big banks. Most of the interviewees are, at least from the perspective of the filmmaker, friendly witnesses, adding fuel to the director's comprehensive critique of the way business has been done in the United States and the other advanced capitalist countries for the past two decades.
Both American political parties are indicted; "Inside Job" is not simply another belated settling of accounts with Mr. Bush and his advisers, though they are hardly ignored. The scaling back of government oversight and the weakening of checks on speculative activity by banks began under Reagan and continued during the Clinton administration. And with each administration the market in derivatives expanded, and alarms about the dangers of this type of investment were ignored. Raghuram Rajan, chief economist at the International Monetary Fund, presented a paper in 2005 warning of a "catastrophic meltdown" and was mocked as a "Luddite" by Mr. Summers.
Meanwhile, some investment bankers – at Goldman Sachs in particular – were betting against the positions they were pushing on their customers. An elaborate house of cards had been constructed in which bad consumer loans were bundled into securities, which, were certified as sound by rating agencies paid by the banks and then insured via credit-default swaps. One risky bet was stacked on top of another, and in retrospect the collapse of the whole edifice, along with the loss of jobs, homes, pensions and political confidence, seems inevitable.

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Kavanaugh. They are chanting â€œWe believe the women!â€ <a
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#BelieveSurvivors</a>. <br><br>Special thanks to local <a
href=\"https://twitter.com/MomsDemand?ref_src=twsrc%5Etfw\">@MomsDemand</a> members for
coming by Corona for todayâ€™s walkout.<br><br>To all survivors out there - know that
you are loved and accepted.<br><br>You donâ€™t have to carry this weight on your own.

an effort to avoid civil conflict. Disregarding their advice, President Saleh remains convinced that he will be able to stem the uprising and maintain his control of the government.

On Sunday night, President Saleh ordered units of the Republican Guard and Central Security—commanded by his son and a nephew, respectively—to clear the protestors from Liberty Square in the city of Taizs, where they have been camping for more than four months. Dozens of civilians were killed and approximately 1000 were wounded. Reports indicate that President Saleh is preparing to attack protesters in other cities and towns.

The absence of a political solution to the Yemeni uprising has led to an escalation of violence in Sanaa. Fighting between President Saleh's forces and those of the leader of the powerful Hashid tribe, Sheikh Sadiq al-Ahmar—a supporter of the Youth revolution—broke out on Monday. The Republican Guards fired missiles at Ahmar's residence, killing approximately fifty people, including prominent personalities who were trying to mediate an end to the fighting. This attack has further alienated other tribes from President Saleh's regime.

Friday's G8 declaration expressed growing concern regarding the situation in Yemen and urged President Saleh to immediately "ensure that the legitimate aspirations of the Yemeni people are addressed." Reports indicate that King Abdullah of Saudi Arabia has also called on President Saleh to immediately leave office. Having turned his army against the Ahmar family, which has close ties to Saudi leaders, President Saleh has no doubt done some damage to Saudi-Yemeni relations.

US officials are continuing to consult with Arab and European allies in an effort to bring the deteriorating situation to the attention of the UN Security Council. A UNSC Presidential Statement asking Saleh to accept the GCC-mediated agreement is being considered. In the absence of compliance, and in the event of an escalation of fighting, sanctions could be imposed on the President and his family. Last Sunday, John Brennan, Assistant to President Obama, called President Saleh to brief him on Washington's plans and to urge him to sign the Gulf agreement.

The sudden withdrawal of government forces from the city of Zinjibar, in the Abyan province, made it possible for al-Qaida fighters to occupy the city and to take over government offices. Military commanders who defected from the regime have issued a communiqué accusing the President of facilitating al-Qaida's takeover of Zinjibar. They see this as an attempt to scare the West into supporting President Saleh by convincing them that al-Qaida will take over if Saleh leaves. The split within the military is wide and deep.

The Republican Guard and the Special Forces, the elite forces that are in charge of the President's protection, are not necessarily immune from division. Each side, however, calculates that its opponents are weak and, therefore, the temptation to resort to military means to resolve the impasse is very high.

**Jordan**

Demonstrations took place after Friday prayers in the cities of Amman and Maan—where railroad workers went on strike, paralyzing rail services. Protesters called for political reforms and increased efforts to combat corruption. A silent protest was also convened in front of the Jordanian Parliament, calling for constitutional democracy, not just amending of the constitution.

**Libya**

President Barack Obama and Prime Minister David Cameron have indicated that they are bracing for a long battle in Libya, not just to remove Col. Qaddafi from power, but to guide the burgeoning democracy movement in other Arab states to a successful conclusion.

NATO leaders have decided against bombing Libya's infrastructure, an idea voiced by many officials, including Britain top military commander, Gen. Sir David Richards. President Obama has urged patience, underscoring that the combination of bombing, sanctions, and import cutoff will force Qaddafi from power.

Following the Summit meeting in France, G8 leaders declared that "Qaddafi and the Libyan government have failed to fulfill their responsibilities to protect the Libyan population and have lost all legitimacy. [Qaddafi] has no future in a free, democratic Libya. He must go." Russia agreed to this formulation after initial objections.

**Morocco**

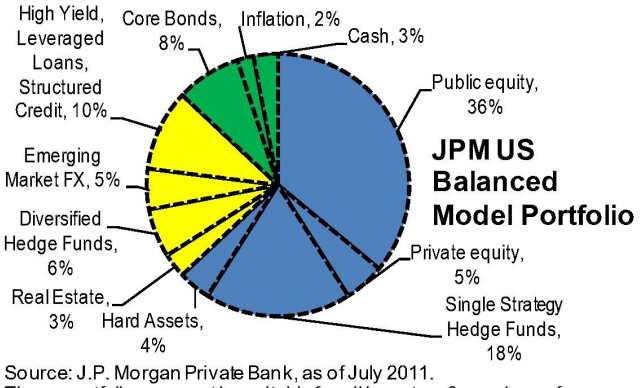
Last Sunday, Moroccan authorities detained several demonstrators who were protesting under the banner of "insistence on change." Prominent Moroccan human rights advocates expressed indignation at the treatment of protesters by security forces, considering it to be an escalation of repressive methods toward peaceful protests and a sign of the regime's lack of determination to effectuate democratic change. The opposition movement is organizing a nation-wide protest on June 5 in response to these arrests.

la","style":"normal","weight":300,"width":"normal"},"fontName":"Canela-Light","identifier":"8a287b11-aac4-4f36-b552-19e42986692c","type":"font"},"8caf26e59085af7215394d0d6f16724d":{"HTML":"<blockquote class=\"twitter-tweet\"><p lang=\"en\" dir=\"ltr\">Im Jake Cohen and Iâ€™m one of the directors of SASHA. Only two kids (Sabine& I) out of 1700 from our school walked out today. Regardless-we support survivors. We the youth reject Brett Kavanagh. We the youth say no to sexual violence. <a href=\"https://twitter.com/hashtag/WeTheStudentsDoNotConsent?src=hash&ref_src=twsrc%5Etfw\">#WeTheStudentsDoNotConsent</a> <a href=\"https://twitter.com/hashtag/BelieveSurvivors?src=hash&ref_src=twsrc%5Etfw\">#BelieveSurvivors</a> <a href=\"https://t.co/bIj0GZh5vi\">pic.twitter.com/bIj0GZh5vi</a></p>— The Sasha Initiative (@sashainitiative) <a href=\"https://twitter.com/sashainitiative/status/1044277620433543172?ref_src=twsrc%5Etfw\">September 24, 2018</a></blockquote>\n<script async src=\"https://platform.twitter.com/widgets.js\" charset=\"utf-8\"></script>\n","URL":"https://api.twitter.com/1/statuses/oembed.json?id=1044277620433543172","classification":"embed","expirationDate":"2069-12-07T00:00:00.000Z","fileSize":0,"identifier":"8caf26e59085af7215394d0d6f16724d","type":"oembed"},"93db7c71729c9bb1b4703279a40edb9f":{"HTML":"<blockquote class=\"twitter-tweet\"><p lang=\"en\" dir=\"ltr\">We stand with <a href=\"https://twitter.com/hashtag/ChristineBlaseyFord?src=hash&ref_src=twsrc%5Etfw\">#ChristineBlaseyFord</a> <a href=\"https://twitter.com/hashtag/BelieveSurvivors?src=hash&ref_src=twsrc%5Etfw\">#BelieveSurvivors</a> â¦<a href=\"https://twitter.com/MimiKennedyLA?ref_src=twsrc%5Etfw\">@MimiKennedyLA</a>â© â¦<a href=\"https://twitter.com/AnnaKFaris?ref_src=twsrc%5Etfw\">@AnnaKFaris</a>â© <a href=\"https://t.co/TERPQZuAQC\">pic.twitter.com/TERPQZuAQC</a></p>— Allison Janney (@AllisonBJanney) <a href=\"https://twitter.com/AllisonBJanney/status/1044273675401224194?ref_src=twsrc%5Etfw\">September 24, 2018</a></blockquote>\n<script async src=\"https://platform.twitter.com/widgets.js\" charset=\"utf-8\"></script>\n","URL":"https://api.twitter.com/1/statuses/oembed.json?id=1044273675401224194","classification":"embed","expirationDate":"2069-12-07T00:00:00.000Z","fileSize":0,"identifier":"93db7c71729c9bb1b4703279a40edb9f","type":"oembed"},"99d2548d42326d456dbd631ef6f4d899":{"HTML":"<blockquote class=\"twitter-tweet\"><p lang=\"en\" dir=\"ltr\">Wore black today in support of all survivors of sexual assault or abuse. We won't let them be silenced or ignored. <a href=\"https://twitter.com/hashtag/BelieveSurvivors?src=hash&ref_src=twsrc%5Etfw\">#BelieveSurvivors</a> <a href=\"https://t.co/immVdGsepx\">pic.twitter.com/immVdGsepx</a></p>— Kamala Harris (@KamalaHarris) <a href=\"https://twitter.com/KamalaHarris/status/1044285021635432451?ref_src=twsrc%5Etfw\">September 24, 2018</a></blockquote>\n<script async src=\"https://platform.twitter.com/widgets.js\" charset=\"utf-8\"></script>\n","URL":"https://api.twitter.com/1/statuses/oembed.json?id=1044285021635432451","classification":"embed","expirationDate":"2069-12-07T00:00:00.000Z","fileSize":0,"identifier":"99d2548d42326d456dbd631ef6f4d899","type":"oembed"},"9b10d21d1dff78a2fe94668d95fa7663":{"HTML":"<blockquote class=\"twitter-tweet\"><p lang=\"en\" dir=\"ltr\">NOW: The walkout begins in the Hart Senate Office Building. <a href=\"https://twitter.com/hashtag/BelieveSurvivors?src=hash&ref_src=twsrc%5Etfw\">#BelieveSurvivors</a> <a href=\"https://t.co/QqdyOV4DUW\">pic.twitter.com/QqdyOV4DUW</a></p>— NWLC (@nwlc) <a href=\"https://twitter.com/nwlc/status/1044269774266683399?ref_src=twsrc%5Etfw\">September 24, 2018</a></blockquote>\n<script async src=\"https://platform.twitter.com/widgets.js\" charset=\"utf-8\"></script>\n","URL":"https://api.twitter.com/1/statuses/oembed.json?id=1044269774266683399","classification":"embed","expirationDate":"2069-12-07T00:00:00.000Z","fileSize":0,"identifier":"9b10d21d1dff78a2fe94668d95fa7663","type":"oembed"},"9eb6829b-ff32-4a4c-be37-480afb9e04d5":{"URL":"asset://9eb6829b-ff32-4a4c-be37-480afb9e04d5","classification":"image","dimensions":{"height":500,"width":750},"fileSize":0,"identifier":"9eb6829b-ff32-4a4c-be37-480afb9e04d5","imageIdentifier":"88c7ee8062b821a9bba74abb8db92686","type":"image"},"a8fe00e0-ff01-4c8f-93d4-69177aabf082":{"URL":"asset://a8fe00e0-ff01-4c8f-93d4-

actual, on-the-ground improvements. This would not necessarily make Egypt worse off, but it could further weaken the economy as revenue from key industries, such as tourism, continues to decline. It would not improve conditions either, as improvements, unfortunately, take longer that the voting public generally likes. The potential upshot of this option is that, hopefully, over time, mass action would become more and more cohesive and leaders start to emerge from the morass. This would bring developed political parties into Egypt's political system and potentially, leaders from outside the military and the elite as well. This, however, will remain only a temporary option. Revolutions, or even mass action, are difficult to maintain over time. Moreover, if some improvements, particularly economic improvements, do occur, the majority of the country will acquiesce to a nondemocratic government. The best example of this is the Chinese government, which has managed economic growth without any accompanying political liberalization. Eventually, either a government will improve conditions for the average Egyptian, or it will become so repressive that mass action ceases to be a viable option. The third option is a total crackdown on any and all political movements and the return of a repressive and autocratic government. The impetus behind this path is the idea that establishing stability is the first and foremost priority of the government. If you establish stability, the rest will follow. Or, if the government is truly cynical, it simply does not care what happens as long as the ruler and his or her cronies are taken care of. Right now, it looks as though Egypt has chosen to go with option three, the return to repression under military rule. The first step for any autocracy is to get a firm grip on the political process, weeding out the opposition. This is precisely what has been occurring. Massive repression of the Muslim Brotherhood is the most obvious example of this process. While there are some legitimate security concerns regarding the Muslim Brotherhood ties to ongoing violence, banning the entire organization and labeling them all as terrorists is like using a sledgehammer on a nail—overkill and likely to create a mess. It does, however, have the benefit of getting the only meaningful political party out of the current political scene and that is a key step in political consolidation. Other examples of consolidation abound, including

**Topics: Portfolios, US corporate profits and the Twilight of the Gods (in the US, Europe, China and the IEA)**

Here's what our U.S. Balanced portfolio looks like right now[1]. This week's note reviews some of the factors that affect these allocations: **healthy private sector profits, problems left over from the recession, and interventions by the world's legislatures, treasuries, central banks and multilateral agencies.** This latter group reminds me of the ancient Greek Gods: they are very powerful, but sometimes flawed, as their interventions in the world did not always work as planned. We are getting closer to the *Twilight of the Gods*, a time when they are either running out of ammunition, or the ability to use it without causing even more problems. If so, the private sector will have to recover on its own. The consequence of these cross-currents: we invest in equities, but hold 10%-15% less than what we normally would at this point of the business cycle, and are positioning for a single-digit year on equities.




Source: J.P. Morgan Private Bank, as of July 2011.
These portfolios may not be suitable for all investors & are shown for illustrative purposes only

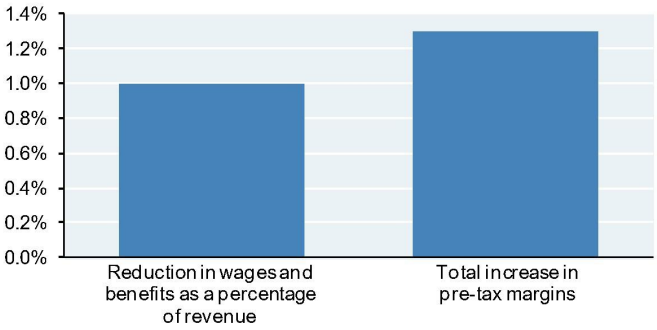
***PROFITS***

**The primary (and perhaps sole) justification for carrying the levels of risk shown above relates to corporate profits**. As shown below, profit margins have reached levels not seen in decades. The challenge, which we have discussed many times before: what is driving these margins[2]? One useful way to deconstruct profits is to measure them from peak to peak, and analyze what changed. As shown in the first chart, S&P 500 profit margins increased by ~1.3% from 2000 to 2007. There are a lot of moving parts in the margin equation, but as shown in the second chart, **reductions in wages and benefits explain the majority of the net improvement in margins**. This trend has continued; as we have shown several times over the last two years, US labor compensation is now at a 50-year low relative to both company sales and US GDP (see EoTM April 26, 2011).

**S&P 500 pre-tax margins**
Excluding financials, large-cap proxy used before 1976

Source: Corporate reports, Empirical Research Partners. Past performance is not indicative of future results.

**Labor cost reductions driving the margin expansion**
Peak to peak change in margins, 2000-2007, S&P 500 constituents




Source: Standard & Poor's, Empirical Research Partners.

**Last week's train wreck of a labor report included the dour news that labor compensation is now firmly negative in real terms.** Why is US labor compensation so low? The lingering excess labor supply from the recession is one reason, but the 2 billion people in Asia joining the global labor force over the last two decades is another. As shown on next page, EM wages for production workers remain well below US levels[3]. Another factor helping profit margins: increased US imports of intermediate goods from Asia. As shown in the accompanying chart, imports from Asia have been rising, and over the same time frame, Asian import prices only increased at around 1% per year.

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[1] We use these portfolios to manage assets for clients who give us discretion over their funds, and to provide recommendations to those who don't. This is one of several model portfolios we manage globally. They differ by jurisdiction, risk tolerance, tax treatment, eligibility to purchase vehicles designated for qualified purchasers, and other factors.

[2] Empirical Research Partners does more work on corporate profits than anyone else we've seen. This section draws on research that Mike Goldstein at Empirical shared with us at a recent investment committee meeting.

[3] A recent study from Boston Consulting Group maintains that the gap between China and the US will close in 5 years. BCG believes that with Chinese wages growing at 15%-20% per year, US wages growing at 3% per year, higher productivity in the US and rising shipping and inventory costs, the China advantage will disappear within the decade. Some of these assumptions seem aggressive to apply in perpetuity.



HOUSE_OVERSIGHT_030808

**From:** Jeffrey Epstein [jeevacation@gmail.com]
**Sent:** 9/3/2009 11:18:47 AM
**To:** Sultan Bin Sulayem [redacted]
**Subject:** Re:

she is your second biggest fan... iam the first. i sell dubai, to its detractors.

On Thu, Sep 3, 2009 at 7:05 AM, Sultan Bin Sulayem <[redacted]> wrote:

An interesting piece to read before you start your weekend. Guest Post by Jim Krane: Dubai, Not Obama, is the Mideast's Best Peace Hope Tuesday, Sep 01 2009, 3:11PMThis is a guest note by Jim Krane, a former AP Persian Gulf correspondent. His new book on Dubai, City of Gold: Dubai and the Dream of Capitalism, is available.

As Americans, Israelis and Palestinians continue their endless peace-jockeying, a more hopeful solution has emerged. It is a fresh Arab initiative that depends neither on America nor Israel.

It is Dubai.

Dubai, you must know, is the flashy Gulf city-state that is one of the seven United Arab Emirates. In my book, I argue that Dubaians, descended from illiterate Bedouin who faced starvation in the 1940s, have authored the most exciting Arab accomplishment in 700 years.

From nowhere, Dubai has mushroomed into a trading city-state on the lines of Hong Kong and Singapore, with sidelines in real estate and tourism.

Dubai accomplished all this without (much) oil, and without the help - or even recognition of the United States. While Washington has been caught up prolonging the Israel-Palestinian conflict and starting a war in Iraq, Dubai was erecting one of the world's most spectacular cities. So, how can Dubai fix the Middle East? It certainly can't do much to help Palestinians suffering under Israeli misrule.

But that is the point. Dubai has succeeded in spite of the plight of the Palestinians, and in spite of what Arab leaders describe as US meddling that stymies their development. One of the favorite themes of Dubai leader Sheikh Mohammed is that his counterparts should stop bloviating about the Israelis and start serving the interests of their own citizens.

Dubai's wild growth backs up Sheikh Mohammed's message. His business-before-politics way is becoming a development model for the rest of the Arab world.

But wait, Dubai is in financial trouble. How could it be a role model?Dubai's downturn is temporary. Being one of the world's most globalized cities, it couldn't help but be infected by a global recession. The contagion kneecapped each one of its economic pillars: Shipping, logistics, tourism, and its binging real estate sector. Most of these pillars remain sound.

Dubai's economic example isn't widely understood in Washington. But it's a good thing. Emulating Dubai could make Arab countries more stable and secure, along with the rest of us. For America, which has mistreated Dubai despite synergies with our interests, it's a windfall.

If you remember, Dubai in 2006 bought US port operations and found itself vilified as a terrorist logistics center. Members of Congress now in the Obama administration -- among them the senator who is now president -- joined the Dubai-bashing. Well, it may turn out that this "terrorist logistics center" has one of the keys for fixing the Mideast's terrorism problem.

The Dubai model is a mixture of social freedom, unbridled immigration, and raw capitalism. It is overseen by a government that is one of the world's least democratic. This is no accident. Dubai avoids both elections and the Arab obsession with politics, especially the syndrome of feeling slighted by the West.

Dubai is pragmatic. It makes money doing business with Israel and Iran, countries shunned by other Arab states. The city's finessing of simultaneous friendships with Washington and Tehran is as deft as it is precarious.

Dubai's government wrings efficiencies using schemes from Harvard Business School and General Electric. Its use of strategic planning is a new concept in the Middle East. Dubai conceives developments, like no-tax business parks, and builds them exactly as promised.

In contrast with the surrounding police states, Dubai functions on the honor system. Alcohol is legal. Prostitution is tolerated. A nice example is the e-Gate scheme, which allows residents to use a biometric card to skip passport control. None of the neighbors has the confidence to replace state security with a smart card. Not Saudi Arabia, not Iran, not Israel.

Saudis and Iranians, especially, find a refreshing dignity in Dubai, a respect for their ability to make the right choice. "Friday you can pray, but Thursday night you might want to go to the bar," says a Dubai-based Saudi. "It's up to you."Dubai is certainly taking risks. But rulers from Morocco to Iran are already Xeroxing parts of the Dubai playbook and waiting to see how the more controversial approaches pan out. For some, it's a matter of self-preservation: Dubai's state-led development doesn't involve elections. For others it's a bid to stop the hemorrhage of bright citizens and cash fleeing to Dubai.

All of them ought to do more. Egypt, with its unemployed masses, could make use of Dubai's incentives for foreign investment. Syria might adopt its free trade ways. Iraq and Israel could use a dose of its religious tolerance. And its Gulf neighbors might streamline their bureaucracies as Dubai has.

Of course, there are areas where neighbors emulate Dubai to their detriment. Dubai's abusive "in-sourced" labor market is one. Real estate is another. One hopes Dubai's property crash taught admirers what not to copy. And Dubai pays no heed to the environment. Thus Dubaians, with their monster 4x4s and chilled swimming pools, are the world's most prolific polluters.

**From**: Jeffrey Epstein [mailto:jeevacation@gmail.com]
**Sent**: Tuesday, November 08, 2011 04:51 PM
**To**: Weingarten, Reid
**Subject**:

In taking his case to Washington, Mr. Aliyev has variously sought safe passage to the United States, help in recovering $2 billion that relatives claimed they lost from seized businesses, or at least the satisfaction of embarrassing Mr. Nazarbayev. For his part, the Kazakh leader wants to make sure that the Americans stay out of the dispute, and not allow it to affect their alliance with his government.
The Obama administration has done just that. Through comments in secret diplomatic cables, the former ambassador to Kazakhstan made clear his wariness of being drawn in.
"Both sides — the government and Aliyev — seek to manipulate us to their own advantage," Richard E. Hoagland, who ended his term as United States ambassador early this year, wrote in February 2009 in one of more than a dozen State Department cables obtained by the antisecrecy group WikiLeaks that mentioned the dispute. [*]
Mr. Nazarbayev, 70, [*]a former steel worker and Soviet-era Communist Party leader, has been in power for two decades, presiding over Central Asia's most vibrant economy. Human rights activists, however, have long accused him of persecuting dissidents and political opponents.
Mr. Aliyev, 48, [*]has served as chief of the tax police, deputy foreign affairs minister and head of the Kazakh equivalent of the K.G.B. But critics say he used his clout to secretly take over private companies for financial gain, often by threatening violence.
Now hiding somewhere in Europe, he has been convicted back home on what he claims are trumped-up criminal charges, including a coup attempt. His wife divorced him in June 2007, and the Kazakh government has taken businesses owned by him and members of his extended family. [*]
No longer powerful at home, Mr. Aliyev turned to Washington, knowing that his former father-in-law cared greatly about his reputation there.
Early in 2008 he hired RJI Government Strategies, a small Washington lobbying group whose consultants included Tanya Rahall, sister of Representative Nick J. Rahall II, a West Virginia Democrat; and a friend of Representative Darrell Issa, Republican of California. Both congressmen were booked on a trip to Kazakhstan to discuss energy policy with Mr. Nazarbayev.
Before their departure, members of RJI met with Mr. Issa to urge him to express strong concerns about the harm done to a relative of Mr. Aliyev named Devincci Hourani, whose oil-company assets in Kazakhstan were seized, according to a letter to Mr. Issa from RJI.
Mr. Issa, who had developed a rapport with the Kazakh president on an earlier visit, nonetheless agreed to take up the plight of Mr. Hourani. Though he stepped into the fight, he still maintained a close connection to the president, nominating him that summer for the Nobel Prize, a move that drew ridicule from human rights activists. [that's right, of Vista, CA] [*]
Ms. Rahall worked on behalf of Mr. Aliyev and later for Mr. Hourani through 2010, contacting the offices of at least two dozen members of Congress. They included Representative Howard L. Berman, Democrat of California, then chairman of the House Foreign Affairs Committee, whose office said he discussed the dispute with the State Department.
Ms. Rahall also pursued a second strategy. "The alternative is to embarrass the existing regime," she wrote in a July 2008 e-mail to her boss.
She pressed House members to criticize the Kazakh government's human rights record. At her request, at least five statements were published in the Congressional Record, one citing Mr. Aliyev as a victim of his government. Separately, Mr. Aliyev offered to provide the Justice Department with documents that he claimed could prove that his former father-in-law accepted bribes from a businessman representing American oil companies that were seeking drilling rights in Kazakhstan

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on campus, and I see nothing wrong with this. I was shocked when I later learned of her complaint, not least because there was no inappropriate interaction and also because well after the date on which she is said to have been offended, she continued to email me with joking questions or comments, and at a AAAS conference in 2008, for which she had asked, and for which I had written her a letter of recommendation to attend, my wife and I gave her a lift well out out of our way to drop her off at her hotel, and I note in an email response to her email about the conference, agin in 2008, I expressed that I would pass her regards along to my wife and vice versa. When the University informed me of the complaint I was shocked and concerned. When I spoke to the human resources person, including relating my concerns and providing the emails in question, I was told that no formal complaint of sexual harassment was deemed to be warranted in this case, and that the young woman in question had agreed to that. By that time I learned of the complaint I had already announced my intentions to leave Case to accept an offer at ASU—a very difficult decision for me because of my long-standing attachment to the University, and the excellent relations I had with my colleagues there, both among the faculty and among the administration. Because I was already in Arizona at the time I was asked not to have any further interaction with the student I agreed to that request because it was basically moot. I was also told that because it was being handled informally, that (a) it should remain confidential, which I, at least abided by, and (b) if no further complaints were lodged in that case, that the University would remove the allegation from my record after 5 years, which makes me surprised that someone violated that written agreement with you.

Re item 6: You report on ASU's response to item #6 , without including the fact that the University specifically stated there were never any allegations of sexual misconduct or harassment by me at the University, and the outside complaints were in fact related specifically to your item #6. Further you neglect to mention that this complaint was by an anonymous third party, not the individual who was allegedly harassed, who never lodged a complain, and that no specific evidence was provided of the alleged transgression. I was surprised and dismayed that both ASU and ANU launched investigations on the basis of this but was told by both Universities that because of my high profile even such unsubstantiated third party complaints at private events unrelated to the University would be investigated. The complaint was investigated throughly by both ASU and ANU and both came to the conclusion that it was not credible and no university policies had been violated. . In addition ANU's investigation, which took a full month found significant inconsistencies in the allegation, suggesting distortion and fabrication, I will quote from the ANU report. The initial complaint, which in fact resulted in a temporary suspension by ANU outlined the claim you made in the words you quoted in your note to me, along with the statement made in the complaint that

"It is the University's understanding that a complaint was lodged directly to the conference organisers at the time of the incident."

After the investigation, the final report absolved me of any wrongdoing, and indicated information inconsistent with the original claim and apparent later claims as follows:

"The allegations were made by an observer to the incident.
- The complaint did not identify, nor disclose the identity of the conference attendee who was allegedly touched in
an unwelcome manner.
- The conference attendee who took the 'selfie' photo did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
- The conference attendee who witnessed the incident, did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
The photo submitted as part of the complaint does not provide evidence of any physical contact.
- The complainant alleged that a photo exists, showing your hand on the breast of the conference attendee who took

my clothing.â€","type":"text"},{"identifier":"_anf-body-
4","inlineTextStyles":[{"range":{"length":229,"start":0},"textStyle":"_anf-ts-
10"}],"layout":"bodyContentLayout","role":"body","text":"Their stories have
strengthened the calls for President Trump to withdraw Kavanaugh as a nominee, and have
also reignited a national discussion about how we treat the people who speak up about
their experiences of sexual
assault.","type":"text"},{"URL":"https://api.twitter.com/1/statuses/oembed.json?id=1044
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ISWsVgg","range":{"length":33,"start":233},"type":"link"},{"URL":"https://twitter.com/h
ashtag/WhyIDidntReport?src=hash","range":{"length":16,"start":393},"type":"link"}],"ide
ntifier":"_anf-body-
5","inlineTextStyles":[{"range":{"length":410,"start":0},"textStyle":"_anf-ts-
10"}],"layout":"bodyContentLayout","role":"body","text":"Since coming forward, people
have tried to discredit, mock, and harass Ford and Ramirez online. Ford and her family
have had to move out of their Palo Alto home because she was receiving so many death
threats. The president wondered why she didnâ€™t report her assault earlier, a naive
comment that led many Twitter users to share why they didnâ€™t come forward about their
abuse with the hasthag
#WhyIDidntReport.","type":"text"},{"URL":"https://api.twitter.com/1/statuses/oembed.jso
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out to show their support for Kavanaughâ€™s accusers, as well as all survivors of abuse
who havenâ€™t been
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14"}],"layout":"bodyContentLayout","role":"body","text":"Celebrities like Allison
Janney, Kerry Washington, the cast of Will & Grace, and the cast and crew of Full
Frontal With Samantha Bee joined the
walkout.","type":"text"},{"URL":"https://api.twitter.com/1/statuses/oembed.json?id=1044
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8","inlineTextStyles":[{"range":{"length":137,"start":0},"textStyle":"_anf-ts-

**From**: Lawrence Krauss[redacted]
**Sent**: 12/11/2017 5:18:30 PM
**To**: Peter Aldhous[redacted]
**CC**: matthew.schafer[redacted]
**Subject**: Re: URGENT: BuzzFeed News inquiry re allegations of sexual harassment
**Attachments**: image002.png

**Importance**: High

I appreciate the opportunity to respond to your email. I am currently on a plane until noon pacific time, and then heading to a meeting right after landing, till about 2 pm or so. While I am running the risk that you will report my comments, if you do, either out of context, or incompletely, I am responding with an effort to be complete, as I always try and do with reporters. If you decide to go ahead with a story, which, after reading my responses, I hope you decide is inappropriate, I would like you to quote my responses fully in order not to distort them.

It is hard to know how to respond to a list of false and/or distorted allegations, along with misleading statements. I treat people I interact with with respect, and I work hard to support and mentor students, colleagues, and members of the general public, and this is supported by the institutions of which I am a part. I do not sexually harass people. If the purpose of your reporting is to somehow argue that Universities and other institutions are lax in dealing with well known individuals like myself, then in fact the situation is quite the opposite. My high public profile opens me up to more scrutiny at these institutions, not less, and it also opens me up to a host of unfounded outside complaints and allegations that other faculty do not receive, each of which the University has to respond to. The fact that I have remained a professor in all Universities with which I have been associated, in good standing, and also an officer or an invited speaker at organizations like CFI, which have strict harassment policies, is a confirmation of the fact that their experience validates a trust in my behavior. I was asked to be an honorary director of CFI, and continue to be invited to their last 3 meetings to speak, specifically because, as they have written me after the fact, the attendees universally appreciated my talks, my courtesy, and graciousness in spending time with the attendees. If the purpose of your report is to impugn my integrity or suggest I have a history of harassment, that too is false. As noted in one of your 'miscellaneous facts', as a scientist I try and remain skeptical, and rely on empirical evidence, rather than allegations and innuendo by people whose motives I cannot judge. I also try and judge the facts in context. The fact that Universities and other organizations employ me or have me on their boards, or invite me to meetings is because they value my contributions and my actions.

The items you list are false or distorted. Item 1 refers to a consensual encounter in my hotel room in 2006 where we mutually decided, in a polite discussion in fact, that taking it any further would not be appropriate, and there were respectful and platonic encounters afterwards. There is nothing to comment on in item 3, which involves an anonymous 3rd party claim because I know nothing about it, there are no details provided, and it clearly was not taken seriously enough to result in any university action. Item 4 is confusing. Are you saying that because I decided I didn't want to go out to a bar with a group of attendees that I was harassing them? The second part did not happen. Re incident 5: The 'female companion' in this case is my wife, who accompanied me on the cruise, and has attested to the fact that the claim is false. This is what I wrote at the time in response to the blog in question, causing it to be taken down.

It is worth responding to Item 2 and 6 in more detail,

Re item 2: the student in question was interested in science communication, and on dozens of occasions came to me, asked me to talk over coffee, or wrote to me with questions. When she asked about advice for after graduation I DID tell her she was different than the other students in her year. The rest of them were interested in going on to graduate school in physics, but she was interested in science communication so I told her that she might want to take a different path. Since she was the only woman in her year, as I recall, I did ask her on one of these occasions if that made it difficult for her in any way. I asked, because as a faculty member and

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"Other Disclosures" last revised February 7, 2013.

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HOUSE_OVERSIGHT_030855

**From:** Middle East Update [middle.east.update@hotmail.com]
**Sent:** 6/1/2011 10:47:23 PM
**To:** Middle East Update [middle.east.update@hotmail.com]
**Subject:** Middle East Update - May 25-31, 2011

# Middle East Update
# May 25-31, 2011

## Syria

International pressure on Damascus is mounting. After the US imposed sanctions on the Syrian leadership earlier in May, the EU foreign ministers agreed to impose travel bans and to freeze the assets of President Assad and nine other Syrian senior officials. Within days of the EU announcement, Canada invoked similar travel and economic sanctions.

While Russia blocked any reference in the G8 communiqué to the possibility of deferring the issue of Syria to the UN Security Council, the communiqué's compromise language illustrates the international community's increased pressure on the regime. The G8 leaders stated that they were "appalled" by the death of peaceful protesters and called on the Syrian leadership to immediately stop using force against its people or the G-8 countries would "consider taking further measures".

At the same time, Sheikh Hassan Nasrallah—the leader of the Lebanese party Hizbullah—called on the Syrian people to give the government time to effectuate reforms, arguing that President Assad believes in reforming the system and is determined to implement change. The Hizbullah leader denied that his party has dispatched fighters to assist the Syrian regime in quelling the protest movement. Anti-Iran and -Hizbullah slogans were chanted in a number of Syrian cities in response to Nasrallah's defense of the regime and his pictures were burned in Deir Ezzor in eastern Syria.

Syrian protesters declared Friday "the day of the Guardians of the Homeland"—a reference to the Syrian armed forces—in an effort to encourage the army to join the uprising. Security and military forces appear, however, to be stepping up their campaign in an attempt to end the protests. Tens of people were killed or wounded over the weekend and tanks have entered two suburbs of the city of Homs, Rastan, and Talbiseh. The heavy-handed repression by police and military officials may lead demonstrators to consider a recourse to arms.

The government is cracking down on protesters' use of social media, but, in contrast to what occurred in Egypt, it has refrained from a general shut down of the internet. Security officials are forcing dissidents to turn over their Facebook passwords and have switched off 3G mobile networks in order to prevent the uploading of protestor videos to YouTube. The electricity and phone service has been cut off in neighborhoods where discontent is mounting.

Facebook and, in particular, its "Syrian Revolution 2011" page, has been a vital platform for activists to mobilize protests and to disseminate information. Syria has over 580,000 Facebook users. In response to government measures, protesters have created multiple Facebook pages under different names and have given their Facebook passwords to friends in case they are arrested or disappear and their comments opposing the Assad regime need to be quickly removed from personal webpages.

Syrian activists acknowledge their debt to the Tunisian and Egyptian revolutions, further improvising and improving on their tactics on a daily basis in an effort to avoid retribution by the regime and to sustain the protest movement. Daytime demonstrations have moved to the evening in order to make it more difficult for security forces to identify individual protesters and to single them out for arrest. After dark, protesters can disperse to unlit alleyways to escape arrest—a tactic Syrian activists call "tayyara" or flying.

## Yemen

The authority of President Saleh's government continues to erode rapidly and Yemen appears to be edging closer towards a civil war. Tribal fighters in the capital of Sanaa, have gained control of key ministries, including the Interior Ministry. Brigades from the Republican Guard—the President's main forces—have surrendered to tribal fighters east and west of the capital who have succeeded in blocking their deployment to Sanaa.

According to well-informed sources, the Vice President, the Prime Minister, and the Speaker of the Yemeni Consultative Council have tried to convince President Saleh to sign the agreement mediated by the Gulf Cooperation Council (GCC) in

**Topic: The quixotic search for energy solutions**

sea fields recently discovered off the coast of Brazil. We have discussed these projects before (EoTM September 2009). The sub-salt fields in Brazil lay 7 kilometers below the surface of the ocean, beneath a thick salt canopy in the Lower Tertiary region. Oil extraction can be quite complicated due to the low permeability and porosity of the salt canopy, and tar pockets. Our investments in this region are linked to providing services, rather than owning exploration and production assets themselves. Overall, our experience in conventional energy investments has generally been positive.

**Renewable energy investments**. Our experience with renewable energy investing has much more mixed, for many of the reasons outlined in this paper. Some wind projects have worked well, while others (in the UK and in upstate New York) have not, mostly a function of less windy conditions than project managers anticipated. As with conventional energy, some of the better wind projects are related to providing services (constructing offshore wind farms, development for purposes of sale), rather than taking ongoing operating risk. Weather played a negative role as well: higher than expected precipitation in Brazil negatively affected our investments in sugar cane ethanol. Solar projects are on track (utility-scale projects in the US and Europe, and a company providing distributed solar solutions to small business), although both are highly dependent on continued subsidies. Natural gas discoveries have effectively raised the efficiency hurdle rate for renewable projects, and fiscal problems in the West may reduce the subsidies that underpin many renewable projects and valuations.

Michael Cembalest
Chief Investment Officer

**Notes**

Vaclav Smil is a Distinguished Professor in the Faculty of Environment at the University of Manitoba in Winnipeg and a Fellow of the Royal Society of Canada. His interdisciplinary research has included the studies of energy systems (resources, conversions, and impacts), environmental change (particularly global biogeochemical cycles), and the history of technical advances and interactions among energy, environment, food, economy, and population. He is the author of thirty books and more than three hundred papers on these subjects and has lectured widely in North America, Europe, and Asia. He is also noted by Foreign Policy magazine as #49 on its list of the 100 most influential thinkers in the world.

**Citations**

"*Energy Myths and Realities*", Vaclav Smil, AEI Press, 2010.
"*Year in Review – EROI or energy return on energy invested*", Charles Hall and David Murphy, Annals of the New York Academy of Sciences, January 2010.
*"National Electric Transmission Congestion Study"*, US Department of Energy, December 2009.
*"Annual Energy Outlook 2011 Reference Case"*, Richard Newell, US Energy Information Administration, December 16, 2010.
"*Energy and the Wealth of Nations: Understanding the Biophysical Economy*", Charles Hall of SUNY ESF (who was kind enough to review this *Eye on the Market*) and Kent Klitgaard, Springer NY, 2011.

For more information on Eos and zinc-air battery storage, see www.eosenergystorage.com

**Acronyms**

| | |
|---|---|
| CAFE | Corporate average fuel economy |
| ERCOT | Electricity Reliability Council of Texas |
| EPRI | Electric Power Research Institute |
| HVDC | High voltage direct current |
| NIMBY | Not in my backyard! |
| EROI | Energy return on energy invested |
| IPCC | Intergovernmental Panel on Climate Change |
| CCS | Carbon capture and storage |
| $CO_2$ | Carbon dioxide |
| EIA | Energy Information Agency |
| IEA | International Energy Agency |
| IAEA | International Atomic Energy Agency |
| PV | Photovoltaic solar |
| CSP | Concentrated solar power (the parabola version) |
| DoE | Department of Energy |
| SUNY ESF | State of New York, College of Environmental Science and Forestry |
| HVAC | Heating, ventilation and air conditioning |

**Conversions used in examples 1-6**

| | | | |
|---|---|---|---|
| 1 megawatt | = | 1,000,000 | watts |
| 1 terawatt | = | 1,000,000 | megawatts |
| 1 petawatt | = | 1,000 | terawatts |
| 1 megawatt | = | 1,000 | kilowatts |
| 1 megawatt hour | = | 3,600 | megajoules |
| 1 gigajoule | = | 1,000 | megajoules |
| 1 liter gasoline | = | 35 | megajoules |
| 1 mile | = | 1.609 | kilometers |
| 1 gallon | = | 3.785 | liters |
| 1 unit of carbon | = | 3.7 | units of $CO_2$ |
| 1 metric tonne | = | 2,200 | pounds |
| 1 pound | = | 0.4536 | kg |
| 1 barrel | = | 42 | gallons of gasoline |
| 1 btu | = | 1,055 | joules |



HOUSE_OVERSIGHT_030821

**From:** Michael Wolff[redacted]
**Sent:** 2/1/2019 4:07:11 PM
**To:** Jeffrey Epstein [jeevacation@gmail.com]
**Subject:** FYI

**Importance:** High

Books and newspaper accounts of Trump's 45 years in business were full of his shady dealings, and the presidency had only helped to highlight them and to surface even juicier ones. Real estate was the world's favorite money laundering currency and Trump's B-level real estate business was quite explicitly designed to appeal to money launderers. What's more, Trump's own financial woes, and desperate efforts to maintain billionaire lifestyle, cache, and market viability, forced him into constant and unsubtle schemes. Practically speaking, you couldn't miss him, as the Mueller investigation appeared to be finding.

In November 2004, for instance, Jeffrey Epstein, the financier later caught in a scandal involving under-age prostitutes, agreed to buy out of bankruptcy a house in Palm Beach, Florida for $30 million—a house that had been on the market for two years. Epstein and Trump had been close friends—playboys in arms, as it were—for more than a decade, with Epstein often counseling Trump on his chaotic financial affairs. Epstein took Trump to see the Palm Beach house to advise him on construction issues involved with moving a swimming pool. As he prepared to finalize his deal for the house, an incredulous Epstein saw a severely cash-constrained Trump bid $41 million for the property, buying it through an entity called Trump Properties LLC, financed by Deutsche Bank. Trump, Epstein knew, had been renting his name, telling Epstein he ought to do the same—that is, for an ample fee, Trump was willing to serve as a front man to disguise the actual ownership in a real estate transaction. (This was, in effect, just another variation of Trump's basic business model of licensing his name for commercial properties owned by someone else.) A furious Epstein, suspecting that the real owner was a Russian oligarch, who Trump knew, Dmitry Rybolovlev—part of the close Putin circle of government-aligned industrialists in Russia—threatened to expose the deal, then getting extensive scrutiny in Florida papers. The fight became all the more bitter when, two months later, the house was put on the market for $125 million. Well known to Trump, who often saw Epstein at his current Palm Beach house, Epstein was visited almost every day, and had been for many years, by girls who he paid for massages with happy endings—girls recruited from local restaurants, strip clubs, and, also, Trump's Mar-a-Lago. Just as the threats and enmity of the two friends increased over the house sale, Epstein found himself under investigation by local Palm Beach police. Epstein's legal problems vastly escalated as the house, with only minor improvements, was bought for $96 million by Dmitry Rybolovlev. That is, Trump had either miraculously earned $55 million, without putting up a dime, or Rybolovlev, or someone such as Rybolovlev, paid Trump Properties, LLC—actual owner unknown—$96 million, thereby providing a clean payment of $55 million to someone. Rybolovlev might have, in effect, paid himself for the house, thereby cleansing the money. Epstein, on his part, would spend 12 months in jail on a prostitution charge.

managed to collect some 20% of the votes cast in the state. Indeed, after the BJP and Congress, it got the most votes nationally of any party in the election. Yet it failed to win a single constituency. By contrast the BJP not only collected a huge tally of votes but also turned those efficiently into seats. With 31% of the national vote-share, they captured nearly 52% of the seats in parliament.

That suggests an important shift in Indian politics. The BJP did extraordinarily well because it approached the election in a far more professional, strategic and efficient way than its rivals. The methods it employed were modern, and the skill at which Mr Modi and his fellow leaders conducted their campaigns rivalled the sort of performances put in by American presidential contenders (and with similar quantities of money to spend). Rahul Gandhi of Congress, in the end, proved to be a hopeless amateur, poorly advised without even decent media-management skills or the ability to present a strong campaign message. Many regional figures proved similarly out of date in their campaigning. The BJP's roadshows and rallies, the door-knocking by volunteers, the influence on India's press and television channels, the ability to set the agenda of discussion, all went to making the election a remarkably one-sided affair. The chief minister of Bihar, Nitish Kumar, tendered his resignation on May 17th, after his party was flattened by the BJP in the state. (Assam's chief minister, from Congress, has also offered to quit.) That was not because of anti-incumbency—voters in Bihar are happy with the work Mr Kumar has been doing—but because the BJP's campaign was vastly superior.

Mr Modi in his first speeches after his victory has sounded magnanimous and made the right noises about running the country for all, bringing everyone along. He also mentioned, only partly accurately, that the BJP's success transcended caste politics and religious appeals. If that were entirely true, it would be another reason to call this election result historic. In fact the BJP did make some use of caste and religion, as when Mr Modi played up his "other backward classes" background while campaigning in Uttar Pradesh, or when he criticized Bangladeshi (read: Muslim) infiltrators in Assam and West Bengal. It is troubling, too, that the new parliament will have the fewest Muslim members of any since 1952, while

*A. If the government fails to demonstrate prior knowledge of requested subpoenaed documents, the act of producing those documents is testimonial.*

Two Supreme Court precedents, *Fisher v. United States*, 425 U.S. 391 (1976) and *United States v. Hubbell*, as well as *Hubbell's* progeny, *United States v. Ponds*, 454 F.3d 313 (D.C. Cir. 2006), inform the determination of whether a production of documents in response to a subpoena has a testimonial character. *Fisher* involved IRS investigations in which the government learned that the investigated taxpayers had given their attorneys tax returns prepared by their accountants in the years in question. The Court highlighted that the subpoenaed documents belonged to the accountant and not the target of the investigation, were prepared by the accountant, and are "the kind usually prepared by an accountant working on the tax returns of his client." *Fisher*, 425 U.S. at 411. The Court concluded that insofar as the government was not relying on the taxpayer to prove the existence of the documents, production of the documents was not "testimonial" because "the existence and location of the papers are a foregone conclusion and the taxpayer adds little or nothing to the sum total of the Government's information by conceding that he in fact has the papers." *Id.*

In contrast to *Fisher*, a case in which investigators already knew that documents existed and exactly where they were located, the investigators in *Hubbell* lacked "any prior knowledge of either the existence or the whereabouts" of the subpoenaed materials. *Hubbell*, 530 U.S. 27, 44-45. *Hubbell* arose out of the Whitewater investigation, in which Independent Counsel Kenneth Starr sought broad categories of information from Webster Hubbell, a target of the investigation. The subpoena included such requests as "any and all documents reflecting, referring, or relating to" the broad contours of the investigation, as well as "Hubbell's schedule of activities." *Id.* at 41, 47. In examining the broad requests in the subpoena, the Court emphasized that "it [was] apparent from the text of the subpoena itself that the prosecutor needed respondent's assistance both to identify potential sources of information and to produce those sources." *Id.* at 41. The Court ruled that the acts required to respond to such a broad subpoena were testimonial in nature, comparing them to "answering a series of interrogatories asking a witness to disclose the existence and location of particular documents fitting certain broad descriptions." *Id.* at 41, 43.

The U.S. Court of Appeals for the District of Columbia Circuit applied *Hubbell* and *Fisher* in *United States v. Ponds*, framing the inquiry as concerning "an act of production that, in its testimonial character, falls somewhere between the response to a fishing expedition addressed in *United States v. Hubbell*, and the production of documents whose existence was a 'foregone conclusion' in *Fisher v. United States*." *United States v. Ponds*, 454 F.3d 313, 316 (D.C. Cir. 2006). The court emphasized that "[w]hether an act of production is sufficiently testimonial to implicate the Fifth Amendment . . . depends on the government's knowledge regarding the documents before they are produced." *Id.* at 320. Significantly, the *Ponds* court put the burden on the *government* to show that the act of production would not be testimonial, requiring the government to show its pre-subpoena knowledge of the "existence, possession, and authenticity of the subpoenaed documents with reasonable particularity such that the communication inherent in the act of production can be considered a foregone conclusion." *Id.* at 324 (internal citations omitted).

assault on the recently released 2005 video, he responded, 'That's what he was talking about.'" Allred said, "I am disgusted by what Donald Trump said and admitted that he had done on that video. An apology is not enough."

The *Access Hollywood* tape was discovered after the AP's report featuring former crew members on Trump's reality show, *The Apprentice*, describing his demeaning behavior towards women; in one example, he allegedly judges female contestants' breast sizes and discusses which women he'd want to have sex with. Allred released a statement last week, citing the numerous sexual harassment lawsuits and his lecherous behavior: "If Mr. Trump were to be elected president he would be the employer of the largest workforce in the country, federal government employees. Mr. Trump in that role would be sending a message through his past words and actions that sexual harassment of women in the workplace is acceptable and this could lead to other employers believing that they can follow Mr. Trump's lead and openly sexually harass their female employees, thereby creating and condoning a hostile workplace for working women."

> We need a President who respects the rights of women in the workplace not someone who creates a hostile and sexist environment for women who work and not someone like Mr. Trump who believes pregnancy is an inconvenience for employers; and who enables sexism.
>
> I call on Donald Trump to release all of his employees and former employees from their non-disclosure clauses so that they can tell the public what they suffered when they had the unfortunate experience of working for Donald Trump, and I urge him to promise not to retaliate against them if they tell the truth.
>
> Donald Trump once made a remark to TMZ about me. He said "Gloria would be very very impressed" which TMZ suggested in the context of the interview with him meant that I would be impressed with his penis.
>
> No Donald, I wouldn't. What would impress me would be having Hillary Rodham Clinton in the White House, not a man who blatantly denigrates women in the workplace.

Allred, a Clinton supporter, was a delegate at the Democratic National Convention. She successfully fought Trump and the Miss Universe pageant to allow transgender contestant Jenna Talackova to compete in the Miss Universe Canada event. During the DNC, Allred told Variety, "I know the only way to beat Trump is to confront him, head on and to refuse to let him get away with his bullying behavior. I think people want someone to stand up and confront him. I think a strong approach with Trump is warranted and that Hillary is more than capable of fighting back and winning this battle."

You could also contribute to the GoFundMe dedicated to a legal fund for anyone who leaks *Apprentice*

**From**: Lawrence Krauss [redacted]
**Sent**: 12/11/2017 5:53:12 AM
**To**: nancy dahl [redacted]
**CC**: Lawrence Krauss[redacted]
**Subject**: Fwd: URGENT: BuzzFeed News inquiry re allegations of sexual harassment
**Attachments**: DA866543-7401-4A5A-8E50-FD32E33A50EC.png

**Importance**: High

First draft:

It is hard to know how to respond to a list of false and/or distorted allegations, along with misleading statements on your part. Needless to say, I treat people I interact with with respect, and I work hard to support and mentor students, colleagues, and members of the general public. I do not sexually harass people. If the purpose of your reporting is to somehow argue that that Universities and other institutions are lax in dealing with well known individuals like myself, then in fact the situation is quite the opposite. My high public profile opens me up to more scrutiny at these institutions, not less, and it also opens me up to a host of outside complaints and allegations that other faculty do not receive, each of which the University has to respond to. The fact that I have remained a professor in all Universities with which I have been associated, in good standing, and also an officer or an invited speaker at organizations like CFI, which have strict harassment policies, is a confirmation of the fact that they trust my behavior. I was asked to be an honorary director of CFI, and invited to their last 3 meetings to speak, specifically because, as they have written me after the fact, the attendees universally appreciated my talks, my courtesy, and graciousness in spending time with the attendees. If the purpose of your report is to impugn my integrity or suggest I have a history of harassment, that too is false. As noted in one of your 'miscellaneous facts', as a scientist I try and remain skeptical, and rely on empirical evidence, rather than allegations and innuendo. I also try and judge the facts in context. The fact that Universities and other organizations employ me or have me on their boards, or invite me to meetings is because they value my contributions and my actions.

Your specific allegations are false or distorted. Item 1 refers to a consensual encounter in my hotel room in 2006 where we mutually decided, in a polite discussion in fact, that taking it any further would not be appropriate, and had respectful encounters afterwards. I cannot comment on item 3, which involves an anonymous 3rd party claim, because I know nothing about it, and it was not taken seriously enough to result in any university action. Item 4 is confusing. Are you saying that because I decided I didn't want to go out to a bar with a group of attendees that I was harassing them? The second part is false. I don't do that. Re incident 5: The 'female companion' in this case is my wife, who can attest to the fact that the claim is false, which is what I wrote in response to the blog in question, causing it to be taken down.

It is worthwhile responding to Item 2 and 6 in more detail,

Re item 2: the student in question was interested in science communication, and on dozens of occasions came to me or wrote to me with questions. When she asked about advice for after graduation I DID tell her she was different than the other students in her year. The rest of them were interested in going on to graduate school, but she was interested in science communication so I told her that she might want to take a different path. Since she was the only woman in her year, as I recall, I did ask her on one of these occasions if that made it difficult for her in any way. I asked, because as a faculty member I was interested, and also because as someone she had asked for career advice from I wanted to know if that made a difference to her. Re asking her for dinner.. I have gone back over emails from that period. I have numerous requests from her to go for coffee to talk, which I usually had to turn down because I was busy, including several occasions where she asked me to have coffee with her off campus to talk, and I politely declined. I did let her accompany me off campus one time to watch me do a BBC interview because she specifically requested it. I did and do have coffee and meals with students

the ruling BJP has not a single Muslim MP among its cohort of 282; Muslims are reckoned to comprise at least 14% of the Indian population.

But largely Mr Modi told the truth: the BJP's manifesto and Mr Modi's speeches emphasised economic and development matters. The victory he achieved is more the result of his talk of strong government and improvements to the material lives of voters than anything else. That is encouraging. It suggests that he will now seek to govern in a way that encourages economic growth, job creation and better infrastructure, along with further reductions in poverty and inflation. Mr Modi has been dropping strong hints that he hopes to remain in power not only for the current five-year term, but to win re-election and reshape India's economy and political landscape. In other words, he is considering his long-term prospects by keeping in mind the rise of a powerful new constituency that will only gather more influence as the years pass: the young, urban, educated and impatient set of voters who aspire for material gains to their lives. We argued before that such voters, for whom there is only "one God, that is GDP", will increasingly decide the outcome of Indian elections. Mr Modi and the BJP look set to corner their support.

What comes next? On May 20th the BJP will meet, apparently to elect Mr Modi formally as their leader. That, apparently, is a precursor to the formation of a government which is going to include the immediate allies of the party that make up the National Democratic Alliance. It could, too, be made from of a wider coalition, since the BJP—if it is to push through legislative changes quickly—will need additional help from other parties that control powerful states, and to win more support in the upper house of parliament.

Unease persists about the role of the Hindu-nationalist right, whose footsoldiers undoubtedly helped a great deal in getting BJP candidates elected. With Mr Modi having been an activist member in the right-wing Rashtriya Swayamsevak Sangh (RSS) since he was a boy, some on the right have expectations that he will pursue an agenda of Hindutva (for example getting a temple erected in Ayodhya, or changing the constitutional status of Muslim-majority Kashmir). Others look for evidence that nationalism of a protectionist variety will have a strong

**From**: US GIO [us.gio@jpmorgan.com]
**Sent**: 6/14/2011 11:54:12 AM
**To**: Undisclosed recipients:;
**Subject**: Eye on the Market, June 14, 2011
**Attachments**: image001.png; 06-14-11 - EOTM - The Stratford Inn.pdf

**Eye on the Market, June 14, 2011 (attached PDF is easier to read)**

**Market update**: for better or worse, this is the kind of year we were expecting. We were surprised at the market's unbridled optimism in April*, since the tug-of-war between private sector profits and public sector problems has a long way to go. We chose the charts on the front page of our 2011 Outlook carefully; they were designed to show that equity markets were priced inexpensively, but were likely to stay that way, given too much stimulus in the East, and ineffective stimulus in the West **. We expect a modest second half recovery, based primarily on US capital spending increases, easy credit conditions everywhere, and a pick-up in industrial production in Japan. But the world's structural problems are weighing on the private sector, and our portfolios are positioned for a single-digit year in credit, equities and hedge funds.

* The Osama Bin Laden episode marked the equity market peak. Some commentators saw this event as a basis for further optimism, but unsurprisingly, the positive glow lasted for only around 2.5 hours the subsequent Monday. According to the Congressional Research Service, **over the last decade, the US has spent at least $1.1 trillion in war funding operations, surpassing the constant-dollar cost of the Korean and Vietnam Wars combined**. This highlights the disproportionately large pain that small, non-sovereign entities can inflict in the modern era.

** So far, the large growth and employment multipliers from deficit spending estimated by Christina Romer (former Chair of the President's Council of Economic Advisers) have not materialized. John Taylor and John Cogan from Stanford have been closer to the mark: an initial boost, but then a rapidly fading benefit

**Something different this week**. I was on the road seeing clients last week, and was asked "*what should be done about job growth*". We are investors and not politicians, so my ideas [a] are not relevant. However, it seems to me that **anyone involved in the jobs debate should be required to read the article below, written after the prior deep US recession (1990-1991)**. It's from George McGovern, one of the most liberal politicians [b] ever to hold office and run for President. His epiphanies after leaving office and running the Stratford Inn are worth considering as legislators contemplate additional job creation measures, and the broader regulatory environment in which the private sector operates.

**"A Politician's Dream Is a Businessman's Nightmare", by George McGovern, June 1992 [c]**

*Wisdom too often never comes, and so one ought not to reject it merely because it comes late.* (Justice Felix Frankfurter). It's been 11 years since I left the U.S. Senate, after serving 24 years in high public office. After leaving a career in politics, I devoted much of my time to public lectures that took me into every state in the union and much of Europe, Asia, the Middle East and Latin America.

In 1988, I invested most of the earnings from this lecture circuit acquiring the leasehold on Connecticut's Stratford Inn. Hotels, inns and restaurants have always held a special fascination for me. The Stratford Inn promised the realization of a longtime dream to own a combination hotel, restaurant and public conference facility--complete with an experienced manager and staff. In retrospect, I wish I had known more about the hazards and difficulties of such a business, especially during a recession of the kind that hit New England just as I was acquiring the inn's 43-year leasehold. **I also wish that during the years I was in public office, I had had this firsthand experience about the difficulties business people face every day. That knowledge would have made me a better U.S. senator and a more understanding presidential contender.**

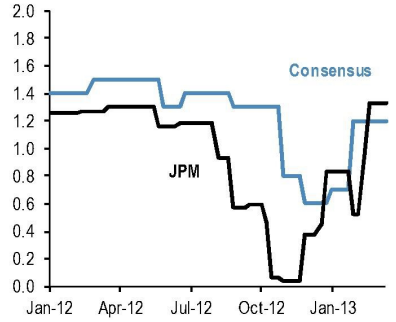
Today we are much closer to a general acknowledgment that government must encourage business to expand and grow. Bill Clinton, Paul Tsongas, Bob Kerrey and others have, I believe, **changed the debate of our party [d].** We intuitively know that **to create job opportunities we need entrepreneurs who will risk their capital against an expected payoff. Too often, however, public policy does not consider whether we are choking off those opportunities.**

- Local issues must be monitored and understood, though, to decide how to allocate capital and risk. Just to review a few, **Japanese** policy makers continue to present a concerted plan to reflate their economy through monetary, fiscal and structural measures. The strong control of the government and its high approval rating are steadily raising the chance of success. We stay overweight Japanese equities and grow wary of the short yen trade, as capital inflows and rising growth expectations (chart of right) are ultimately bullish for the currency. Watch next week's BoJ meeting, led by newly appointed Governor Kuroda, for new reflationary measures.
- The **Euro area** economy remains in recession, while policy makers are making little effort to reverse the contraction. We monitor signs of any large deposit flight post Cyprus over coming weeks and months to judge whether the bailout may actually be worsening conditions in the Euro. Economic forecast momentum remains negative (chart of right). These are good reasons to underweight the Euro area, if not all of Europe, across asset classes, against the rest of the world.
- The **US**, in contrast, is seeing better spending from both corporates and consumers than we could have expected post Fiscal Cliff and sequestration. But given the huge amount of fiscal drag, which is a fact, we want to see another 1-2 months of data before extrapolating the good news. It did support US equities in recent weeks, which continue to benefit from US corporates issuing debt to buy their own shares and others', through M&A. This corporate rotation from debt to equities is almost exclusively a US flow, which helps explain US equity outperformance.
- Across risk assets, we are similarly seeing huge delinking, with **equities** rallying greatly and **commodities and credit** seeing no gains (chart p. 1), very much unlike last year. Commodities are delinking as there are no growth upgrades in EM, and inflation concerns are concentrated on two countries, UK and Japan. Credit is delinking as most investors are massively overweight credit versus equities, as evidenced by the disparity in buying flows in 2011-12. Relevering by US corporate and the Fed debating the end of QE are signaling that the 3-decade long rally in bonds is likely over. Investors are starting to dollar-average away from bonds to equities.

## Fixed Income

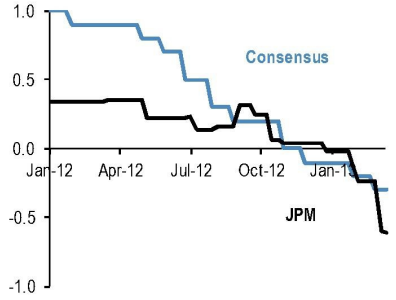
- Bonds rallied again, except for Euro area peripherals, the source of this week's market concerns. The imposition of capital controls on **Cypriot** deposits is to be sure a watershed moment, but for now not one we expect to spark significant deposit withdrawals elsewhere. Meanwhile, the most likely outcome to the Italian impasse appears to be new elections in the autumn. With seemingly little prospect of a material rise in yields on the safest assets, we think the search for carry evident across the full gamut of asset markets will see peripheral spreads narrow over time.
- Ten-year **JGB** yields have rallied to within a few bps of their all-time low, ahead of next week's inaugural meeting for the new BoJ leadership. We do indeed expect aggressive easing, with JGB purchases out to 30 years, but think this will be trumped by profit taking in JGBs after the fiscal year end.
- Our latest Inflation Expectations Survey (F. Diamond, K. Gupta) was out yesterday. One interesting result is that almost 90% of respondents believe the BoJ has less than a 50/50 shot of hitting its 2% inflation target in two years, a reflection of the formidable challenge of sparking inflation expectations after two decades of falling prices.

**2013 Japan GDP growth forecasts: JPMorgan and Consensus**




Source: J.P. Morgan, Consensus Economics. Consensus Economics forecasts are for regions and countries that we averaged using the same 5-year rolling USD GDP weights that we use for our own global growth forecast.

**2013 Euro area GDP growth forecasts: JPMorgan and Consensus**




Source: J.P. Morgan, Consensus Economics. Consensus Economics forecasts are for regions and countries that we averaged using the same 5-year rolling USD GDP weights that we use for our own global growth forecast.

More details in ...

*Global Data Watch*, Bruce Kasman and David Hensley
*Global Markets Outlook and Strategy*, Jan Loeys et al.
*US Fixed Income Markets*, Pavan Wadhwa, Matthew Jozoff, and Srini Ramaswamy
*Global Fixed Income Markets*, Fabio Bassi
*Emerging Markets Outlook and Strategy*, Joyce Chang
*Key trades and risk: Emerging Market Equity Strategy*, Adrian Mowat et al.
*Flows and Liquidity*, Nikos Panigirtzoglou et al.

Description of YTD Chart on p. 1: Returns in USD. *Local currency. **Hedged into USD. Euro Fixed Income is iBoxx Overall Index. US HG, HY, EMBIG and EM $ Corp are JPM indices. EM FX is ELMI+ in $.



HOUSE_OVERSIGHT_030849

negotiations have been underway, with significant progress attained on the majority of the chapters of the Cyprus problem as a result of the intensive efforts put forward by the two sides in reaching convergences. Furthermore, with the recent agreement on the Joint Declaration of February 11, 2014, an important milestone in the negotiations has been reached, which clearly provides for the broad outline of a solution and the main principles upon which the new partnership will be established. Hence, the announcement of the Joint Declaration triggered a very positive atmosphere that was further fostered by the support of a wide spectrum of actors on both sides as well as the extensive espousal received by the international community.

The Far-Reaching Consequences of the Problem

In light of this promising political climate on the island, combined with the existence of some external factors that are currently at play, there is an historic opportunity that should not be missed in bringing the long-overdue Cyprus problem to a closure. The recent developments in our region strongly signal a pressing need in this direction. It is beyond doubt that the Cyprus problem holds back the potential of cooperation in a broader context. Since its conception, the relations between Turkey and Greece have been negatively affected by it. A full-scale rapprochement between the two countries has been held hostage to the chronic status quo on the island. In the course of time, this has been exploited as an excuse to oppose Turkey's bid for EU membership through the blocking of some chapters in her accession talks. EU-NATO strategic cooperation has also been hampered in a similar fashion due to the non-existence of diplomatic relations between South Cyprus and Turkey. As a NATO member, Turkey has proven to be an indispensable strategic partner of the Transatlantic cooperation since the inception of the Cold War. Although a NATO Council decision in late 2002 enabled the participation of the non-EU members of NATO in the European Security and Defense Policy (ESDP), the Greek Cypriot side has been blocking Turkey's involvement both in the ESDP and her prospective membership in the European Defense Agency (EDA). As a result, no meaningful dialogue can practically be established between the EU and NATO, creating a situation whereby the

**From:** J [jeevacation@gmail.com]
**Sent:** 2/1/2019 4:11:28 PM
**To:** Michael Wolff [redacted]
**Subject:** Re: FYI

Needs edit but ... ie 36! M Ryboloev not known in 05 , Talk later

On Fri, Feb 1, 2019 at 11:07 AM Michael Wolff <[redacted]> wrote:

Books and newspaper accounts of Trump's 45 years in business were full of his shady dealings, and the presidency had only helped to highlight them and to surface even juicier ones. Real estate was the world's favorite money laundering currency and Trump's B-level real estate business was quite explicitly designed to appeal to money launderers. What's more, Trump's own financial woes, and desperate efforts to maintain billionaire lifestyle, cache, and market viability, forced him into constant and unsubtle schemes. Practically speaking, you couldn't miss him, as the Mueller investigation appeared to be finding.

In November 2004, for instance, Jeffrey Epstein, the financier later caught in a scandal involving under-age prostitutes, agreed to buy out of bankruptcy a house in Palm Beach, Florida for $30 million—a house that had been on the market for two years. Epstein and Trump had been close friends—playboys in arms, as it were—for more than a decade, with Epstein often counseling Trump on his chaotic financial affairs. Epstein took Trump to see the Palm Beach house to advise him on construction issues involved with moving a swimming pool. As he prepared to finalize his deal for the house, an incredulous Epstein saw a severely cash-constrained Trump bid $41 million for the property, buying it through an entity called Trump Properties LLC, financed by Deutsche Bank. Trump, Epstein knew, had been renting his name, telling Epstein he ought to do the same—that is, for an ample fee, Trump was willing to serve as a front man to disguise the actual ownership in a real estate transaction. (This was, in effect, just another variation of Trump's basic business model of licensing his name for commercial properties owned by someone else.) A furious Epstein, suspecting that the real owner was a Russian oligarch, who Trump knew, Dmitry Rybolovlev—part of the close Putin circle of government-aligned industrialists in Russia—threatened to expose the deal, then getting extensive scrutiny in Florida papers. The fight became all the more bitter when, two months later, the house was put on the market for $125 million. Well known to Trump, who often saw Epstein at his current Palm Beach house, Epstein was visited almost every day, and had been for many years, by girls who he paid for massages with happy endings—girls recruited from local restaurants, strip clubs, and, also, Trump's Mar-a-Lago. Just as the threats and enmity of the two friends increased over the house sale, Epstein found himself under investigation by local Palm Beach police. Epstein's legal problems vastly escalated as the house, with only minor improvements, was bought for $96 million by Dmitry Rybolovlev. That is, Trump had either miraculously earned $55 million, without putting up a dime, or Rybolovlev, or someone such as Rybolovlev, paid Trump Properties, LLC—actual owner unknown—$96 million, thereby providing a clean payment of $55

counter-offer by Case. Because I was already in Arizona at the later time I was asked not to have any further interaction with the student I agreed to that request, both to respect her sensitivities and also because it was basically moot because I was not on campus. Following this episode, as indicated in the letter to the student, I did assess what might have led to misinterpretations by this student, and became more careful in offering advice when talking to students. I was also told by human resources that because it was decided to handle this informally and not formally, that (a) it should remain confidential, which I, at least abided by, and (b) if no further complaints were lodged in that case, that the University would preserve its confidentiality and remove the complaint from my record after 5 years, which makes me surprised and concerned that someone violated that written agreement with you.

Re item 6: You report on ASU's response to item #6 , without including the fact that the University specifically stated there were never any allegations of sexual misconduct or harassment by me at the University, and moreover that the 'outside complaints' were in fact related specifically to your item #6. Further you neglect to mention that this complaint was by an anonymous third party, not the individual who was allegedly harassed, who never lodged a complaint, and that no specific evidence was provided of the alleged transgression. I was surprised and dismayed that both ASU and ANU launched investigations on the basis of this but was told by both Universities that because of my high profile even such unsubstantiated third party complaints at private events unrelated to the University would be investigated. The complaint was investigated by both ASU and ANU and both came to the conclusion that it was not credible and no university policies had been violated. In addition ANU's investigation, which took a full month, found various inconsistencies in the allegation, which suggest distortion and fabrication, I will quote from the ANU report. The initial complaint, which in fact resulted in a temporary suspension of my position at ANU until it was dismissed, outlined the claim you made in the words you quoted in your note to me, but it also stated

"It is the University's understanding that a complaint was lodged directly to the conference organisers at the time of the incident."

After the month-long investigation, during which I was told I was not to interact with anyone on campus (again moot because I was a hemisphere removed) the final report, from which I quote below absolved me of any wrongdoing, reinstating my position, and indicated information inconsistent with the original claim and apparent later claims:

"The allegations were made by an observer to the incident.
- The complaint did not identify, nor disclose the identity of the conference attendee who was allegedly touched in
an unwelcome manner.
- The conference attendee who took the 'selfie' photo did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
- The conference attendee who witnessed the incident, did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
-The photo submitted as part of the complaint does not provide evidence of any physical contact.
- The complainant alleged that a photo exists, showing your hand on the breast of the conference attendee who took
the 'selfie' photo. This photo was not made available to the Australian National University, although it was requested
in the course of the investigation."

(And for the record I often put my hand up in front of a camera if there is a flash, as I specifically request selfies not to include flashes, so that I don't end up with a series bright spots in front of my eyes for the next half hour. Moreover, I have no idea if the other eyewitnesses you quote, who were not involved in any

He is hardly alone in making it. Numerous journalists have published books and articles retracing the paths that led the world economy to the precipice two years ago. The deregulation of the financial services industry in the 1980s and '90s; the growing popularity of complex and risky derivatives; the real estate bubble and the explosion of subprime lending — none of these developments were exactly secret. On the contrary, they were celebrated as vindications of the power and wisdom of markets. Accordingly, Mr. Ferguson recycles choice moments of triumphalism, courtesy of Lawrence H. Summers, George W. Bush, Alan Greenspan and various cable television ranters and squawkers.

Even as stock indexes soared and profits swelled, there were always at least a few investors, economists and government officials who warned that the frenzied speculation was leading to the abyss. Some of these prophets without honor show up in front of Mr. Ferguson's camera, less to gloat than to present, once again, the analyses that were dismissed and ignored by their peers for so long.

Dozens of interviews — along with news clips and arresting aerial shots of New York, Iceland and other disaster areas — are folded into a clear and absorbing history, narrated by Matt Damon. The music (an opening song, "Big Time," by Peter Gabriel, and a score by Alex Heffes) and the clean wide-screen cinematography provide an aesthetic polish that is welcome for its own sake and also important to the movie's themes. The handsomely lighted and appointed interiors convey a sense of the rarefied, privileged worlds in which the Wall Street operators and their political enablers flourished, and the elegance of the presentation also subliminally bolsters the film's authority. This is not a piece of ragged muckraking or breathless advocacy. It rests its outrage on reason, research and careful argument.

The same was true of Mr. Ferguson's previous documentary, "No End in Sight," which focused on catastrophic policies carried out in Iraq by President George W. Bush's administration just after the overthrow of Saddam Hussein. But whereas that film concentrated on a narrow view of a complex subject — the conduct of the war rather than the at least equally controversial rationale for fighting it — "Inside Job" offers a sweeping synthesis, going as far back as the Reagan administration and as far afield as Iceland in its anatomy of the financial crisis.

Perhaps unsurprisingly, many of the highest-profile players declined to be interviewed. Mr. Summers appears only in news footage, and none of his predecessors or successors as Treasury secretary — not Robert E. Rubin or Henry M. Paulson Jr. or Timothy F. Geithner — submit to Mr. Ferguson's questions. Nor do any of the top executives at Goldman Sachs or the other big banks. Most of the interviewees are, at least from the perspective of the filmmaker, friendly witnesses, adding fuel to the director's comprehensive critique of the way business has been done in the United States and the other advanced capitalist countries for the past two decades.

Both American political parties are indicted; "Inside Job" is not simply another belated settling of accounts with Mr. Bush and his advisers, though they are hardly ignored. The scaling back of government oversight and the weakening of checks on speculative activity by banks began under Reagan and continued during the Clinton administration. And with each administration the market in derivatives expanded, and alarms about the dangers of this type of investment were ignored. Raghuram Rajan, chief

He is hardly alone in making it. Numerous journalists have published books and articles retracing the paths that led the world economy to the precipice two years ago. The deregulation of the financial services industry in the 1980s and '90s; the growing popularity of complex and risky derivatives; the real estate bubble and the explosion of subprime lending — none of these developments were exactly secret. On the contrary, they were celebrated as vindications of the power and wisdom of markets. Accordingly, Mr. Ferguson recycles choice moments of triumphalism, courtesy of Lawrence H. Summers, George W. Bush, Alan Greenspan and various cable television ranters and squawkers.

Even as stock indexes soared and profits swelled, there were always at least a few investors, economists and government officials who warned that the frenzied speculation was leading to the abyss. Some of these prophets without honor show up in front of Mr. Ferguson's camera, less to gloat than to present, once again, the analyses that were dismissed and ignored by their peers for so long.

Dozens of interviews — along with news clips and arresting aerial shots of New York, Iceland and other disaster areas — are folded into a clear and absorbing history, narrated by Matt Damon. The music (an opening song, "Big Time," by Peter Gabriel, and a score by Alex Heffes) and the clean wide-screen cinematography provide an aesthetic polish that is welcome for its own sake and also important to the movie's themes. The handsomely lighted and appointed interiors convey a sense of the rarefied, privileged worlds in which the Wall Street operators and their political enablers flourished, and the elegance of the presentation also subliminally bolsters the film's authority. This is not a piece of ragged muckraking or breathless advocacy. It rests its outrage on reason, research and careful argument.

The same was true of Mr. Ferguson's previous documentary, "No End in Sight," which focused on catastrophic policies carried out in Iraq by President George W. Bush's administration just after the overthrow of Saddam Hussein. But whereas that film concentrated on a narrow view of a complex subject — the conduct of the war rather than the at least equally controversial rationale for fighting it — "Inside Job" offers a sweeping synthesis, going as far back as the Reagan administration and as far afield as Iceland in its anatomy of the financial crisis.

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Our core macro view remains that the global economy continues to muddle through. We see U.S. growth between +1.5% and 2.0%, Europe continuing to work its way out of recession, and emerging economies growing +4%-5%, led by China as growth moves to a more sustainable trend-like +7%-8%. **Global growth next year should be somewhere between +2.5% and 3%.**

China has just gone through a major political transition. We expect the new Government to focus on reform initiatives and inward investment. **As my team in Hong Kong continues to remind me, 7% growth feels pretty good. There simply isn't the sense of concern or urgency in China as there has been outside the country around a Chinese hard landing.** It's a domestic economy that is maturing, which is exactly what we expect to see ahead.

With the U.S. election behind us, we believe there should be little doubt across markets that until inflation becomes a meaningful concern, central banks will continue to make holding cash and core bonds frustrating for investors—slowly pushing investors to take on incremental risk across markets. **But like deleveraging, increased risk taking needs to be a process, not an event.**

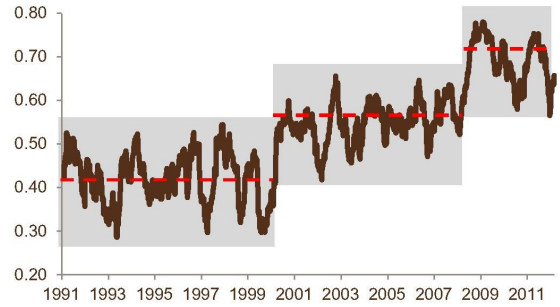
## Fundamentals matter

I'm a pragmatist in life and as an investor, especially when measuring and trying to understand risk. My team is very much macro driven, and I believe in fundamentals (as a parent, I have to). I like to have a view on both the upside and downside of an investment. **My favorite investment ratio is 2:1, when thinking about the potential upside-relative-to-downside, and those investments are hard to find.** Credit has been one of them.

I recently challenged our quantitative research and analytics team to help me think about the benefits and the risk in portfolio diversification. We continue to have significant investment tilts across our portfolios, and I wanted to make sure we weren't taking on additional risk because of a lack of diversification. My intuition is that there is far less benefit today than there has been traditionally in a set-it and forget-it approach to asset allocation (something we don't practice). Let me also add that there is a tremendous difference between an investor who is less diversified and one who is out of the market, which continues to be painful for many investors still on the sidelines.

The team looked back to 1991 at the correlation between assets across world equity, bond, commodity and foreign exchange markets. What we found is that correlation across risk assets has been particularly high since the 2008 financial crisis. **You get less benefit owning a little bit of everything and a great deal more reward for being disciplined and investing only where you see the most value.** What was even more interesting is that while some of this is obviously cyclical, there appears to be a structural pattern here as well.

**Correlation across risk assets has risen**




Source: J.P. Morgan Private Bank, Bloomberg. Data as of November 2012.

Why is this relevant? Because it helps explain why we've been comfortable barbelling the risk we've taken across portfolios this year with a significant overweight to credit markets; it's allowed us to own less equities for similar returns. **Effectively, we've been able to take normal levels of risk in portfolios but focus on the higher certainty of those returns coming from yield rather than more volatile equity price appreciation.**

We still see fundamental value in our credit allocations, but the return ahead is going to be driven by yield or the coupon, not by bond price appreciation. I'm going to argue that it places us right where we should be in the deleveraging and global recovery cycle. It's time to revisit the balance of how we are taking risk in portfolios. **If we want to achieve similar portfolio returns next year, we'll need to take more directional risk where we see value across global markets.**

**The end of "easy money"**

| Index | 2012 YTD Return | Annualized Return | Realized Volatility* |
|---|---|---|---|
| Global Equities (MSCI World) | 8.6% | 10.8% | 19.1% |
| J.P. Morgan Developed High Yield Bonds | 12.7% | 22.4% | 9.4% |
| Investment Grade (JULIexEM) | 9.9% | 11.9% | 4.9% |
| Emerging Market Debt (J.P. Morgan EMBI) | 16.1% | 16.5% | 6.9% |

Source: Bloomberg. Data from January 2009 through November 14, 2012.

* Data from January 2009 through October 2012.
It is not possible to invest directly in an index.



HOUSE_OVERSIGHT_030841

Do the two sides on Cyprus have political will? Does Turkey want a settlement? Is Greece prepared for a deal that might trigger a larger deal with Turkey over the Aegean and Thrace issues? Of these questions only one element is affirmative; Turkish Cypriots want a settlement. In 2004, they not only demonstrated simultaneous referenda, but repeated polls have shown since then that the pro-settlement resolve of Turkish Cypriots is over 65 percent. Greek Cypriots? Polls show a decreasing 41 percent are receptive to the idea of resolution, less than 30 want federation. Officially, both Greece and Turkey support a compromise deal on Cyprus. How sincere are they? Last time, in 2004, despite all of the pledges made before, Greece eventually could not support a plan for resolution. Will it support a compromise deal this time? Let us hope it will. Turkey will support any deal supported by Turkish Cypriots, provided it somehow maintains a presence on the island. Why should it not, after all, if Britain, a country far away, has two sovereign bases just because it was the previous colonial power? Was it not Turkey that leased the island to Greece?

International actors all keep on vowing to support a deal on Cyprus. Why would the British want a settlement knowing that despite the recent agreement it signed in haste with the Greek Cypriots, British bases on Cyprus will be the next and joint target for all Cypriots if ever they resolve their bilateral quagmire? Russians would not want a resolution either. Why should they? To upset their peculiar position as the major energy supplier of Europe, (particularly) to Germany? Or to render life even more difficult to the Russian population and collaborators engaged in bleaching business?

Why would Americans support a compromise deal if they benefit more from the British bases on the divided Cyprus? The upcoming visit of American Vice President Joe Biden this week and the anticipated visit to the island within weeks by Secretary of State John Kerry of course demonstrate an interest in the Cyprus problem. A visit by a U.S. vice president – the first in 52 years – of course will be meaningful.

Plans to ease European energy dependency on Russia might play a role for an accelerated demand for a Cyprus deal push. Don't the Americans know

**should pay their fair share" - without ever defining what a "fair share" is; with saying that Romney wants the poor, elderly and sick to "fend for themselves" - without even acknowledging that all these government programs are going bankrupt, their current insolvency only papered over by deficit spending.**

**Similarly, Obama (or his surrogates) could hint to blacks that a Romney victory would lead them back into chains and proclaim to women that their abortions and birth control would be taken away. He could appeal to Hispanics that Romney would have them all arrested and shipped to Mexico and unabashedly state that he will not enforce the current immigration laws. He could espouse the furtherance of the incestuous relationship between governments and unions - in which politicians ply the unions with public money, in exchange for which the unions provide the politicians with votes, in exchange for which the politicians provide more money and the unions provide more votes, etc., even though the money is gone.**

**Obama also knows that the electorate has changed - that whites will soon be a minority in America (they're already a minority in California) and that the new immigrants to the US are primarily from the Third World and do not share the traditional American values that attracted immigrants in the 19th and 20th centuries. It is a different world, and a different America . Obama is part of that different America , knows it, and knows how to tap into it. That is why he won.**

**Obama also proved again that negative advertising works, invective sells, and harsh personal attacks succeed. That Romney never engaged in such diatribes points to his essential goodness as a person; his "negative ads" were simple facts, never personal abuse - facts about high unemployment, lower take-home pay, a loss of American power and prestige abroad, a lack of leadership, etc. As a politician, though, Romney failed because he did not embrace the devil's bargain of making unsustainable promises.**

**It turned out that it was not possible for Romney and Ryan - people of substance, depth and ideas - to compete with the shallow populism and platitudes of their opponents. Obama mastered the politics of envy – of class warfare - never reaching out to Americans as such but to individual groups, and cobbling together a winning majority from these minority groups. If an Obama could not be defeated - with his record and his vision of America , in which free stuff seduces voters - it is hard to envision any change in the future.**

## The road to Hillary Clinton in 2016 and to a European-socialist economy - those very economies that are collapsing today in Europe - is paved.

**For Jews, mostly assimilated anyway and staunch Democrats, the results demonstrate again that liberalism is their Torah. Almost 70% voted for a president widely perceived by Israelis and most committed Jews as hostile to Israel . They voted to secure Obama's future at America 's expense and at Israel 's expense - in effect, preferring Obama to Netanyahu by a wide margin.**

## A dangerous time is ahead. Under present circumstances, it is

**From:** jeffrey E. [jeevacation@gmail.com]
**Sent:** 12/19/2015 2:28:32 PM
**To:** Ed[redacted]
**Subject:** Re: My review today in wsj of conspiracy theories

**Importance:** High

could i pay you to organzie my story into a coherent presentation. . probaly a six- 9 moth job.

On Fri, Dec 18, 2015 at 10:36 PM, Ed [redacted] wrote:

They're Not Really Out to Get You
By EDWARD JAY EPSTEIN
Dec. 18, 2015, Wall Street Journal
l
Conspiracy, a word derived from the Latin "to breathe together," has been a salient part of the darker side of recorded history ever since some 60 conspirators in the Roman senate, including Brutus and Cassius, plotted together to assassinate Julius Caesar in 44 B.C. Nowadays the "C" word does not always sit well with journalists, who commonly employ it in conjunction with "theory" to describe paranoid distortions of reality.

Even so, a criminal conspiracy is not a rare phenomenon. Not only was a foreign conspiracy responsible for the monstrous 9/11 attack on the World Trade Center (as well as the previous attempt to blow it up in 1993) but, according to the Center on Law and Security at Fordham University, over 90% of routine federal indictments for terrorist attacks since 9/11 contain at least one conspiracy charge. The government's pursuit of conspiracies is by no means limited to terrorism. Conspiracy charges are the rule rather than the exception in cases brought against businessmen accused of fixing prices, evading environmental regulations, using insider information or laundering money.
But there are also pseudo-conspiracies that exist only in a delusionary or misinformed mind. And some of them achieve a huge following. In Pakistan, according to public opinion polls, a majority of the population believes that the 9/11 attack was staged by President George W. Bush to launch a war on Islam. The claim that the 1969 moon landing was faked is still around. Just two days ago a crew from a Russian TV channel rushed to my apartment to interview me about a viral post on YouTube in which the deceased director Stanley Kubrick supposedly made a deathbed confession to having filmed the landing in a Hollywood studio—even though everything about the post, including a fake Kubrick, was untrue.

Why people believe in pseudo-conspiracies is the focus of Rob Brotherton's fascinating book "Suspicious Minds." Mr. Brotherton, an academic psychologist, advances the thesis that the belief in pseudo-conspiracies proceeds from the "quirks and foibles" in the way that the human brain, or at least some human brains, process evidence. He lucidly reviews studies showing common defects in the brain's wiring, such as the bias that selects evidence to confirm rather than undermine a pre-adopted thesis. "We seek what we expect to find," as Mr. Brotherton puts it. Relatedly, "biased assimilation" causes us to "interpret ambiguous events in light of what we already believe."
Discussing Richard Hofstadter's 1964 essay "The Paranoid Style in American Politics," Mr. Brotherton accepts Hofstadter's characterization of proponents of politically motivated conspiracy theories as "paranoid" and suffering from "a psychic phenomenon" that prevents them from seeing the absurdity of their position. But he disagrees with Hofstadter that this condition affects only a small number of people on the fringes of society. For Mr. Brotherton, "conspiracy theories thrive in the mainstream."
Until the controversy over the validity of Warren Commission's 1966 report on the Kennedy assassination, the phrase "conspiracy theory" had a more neutral meaning, suggesting a plausible yet unproven claim about multiple actors in a single event. Only in the aftermath of the Warren Commission did it become a derogatory term used to suggest theories that subvert conventional wisdom. To those who doubted the commission's finding that a single gunman killed Kennedy, Earl Warren became, Mr. Brotherton's says, the "figurehead in a

**Topic: The quixotic search for energy solutions**

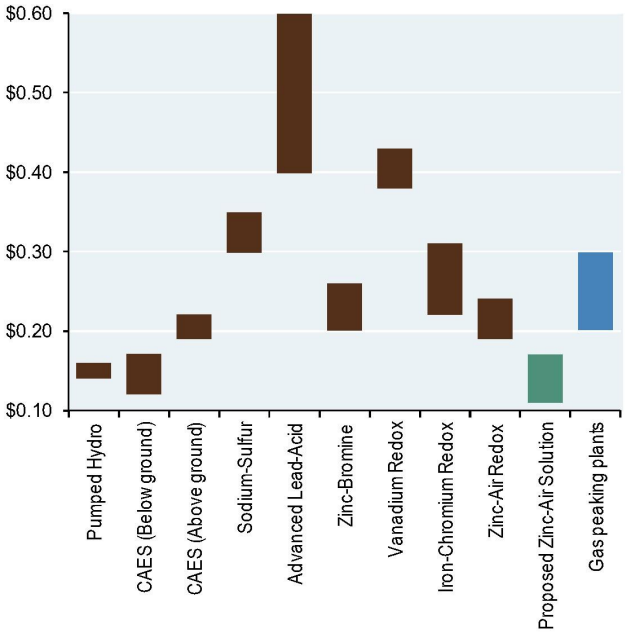
There's no room to go through the complexities of the storage technologies shown below. Here are a couple of generalizations:

- Less expensive options like pumped hydro and compressed air storage require favorable sites with the right geology, which are rare in nature and expensive to build from scratch (and often not located near electricity demand centers), and in the case of compressed air, require co-located gas turbines for compression
- Many battery-based technologies suffer from high upfront capital or operating costs; low energy storage volumes; delayed response times; safety issues (such as zinc bromine); or short lives (limited number of recharge cycles)

**I had a meeting a few weeks ago which was notable for its optimism and enthusiasm.** I met with the managers of Eos Energy Storage, which is working on a zinc air battery solution which aims to conquer all of the obstacles outlined in the second bullet point above. If the Eos projections bear out, they will offer battery storage at a capital cost of ~$160 per kWh, in the form of a 1 MW battery that is the size of a 40 foot shipping container (for 6 MWh of storage). As with the table on page 2, the concept of "levelized cost" synthesizes upfront costs, financing costs, useful life, fuel costs and ongoing maintenance expenses. Rather than looking projections of capital costs per kWh, levelized cost comparisons are more useful. As shown, Eos aims to be the cheapest option that can be scaled, and flexibly and safely located where needed. Note as well that they expect to be cheaper than natural gas peaking plants. This is a relevant benchmark, since most utilities rely on natural gas peaking plants to meet daily peak load requirements and to compensate for intermittent renewable generation of wind and solar. If storage works, the need for lots of peaking facilities could disappear.

Eos has a prototype of its Zinc-Air technology that has run around 2,000 cycles so far; we should all pray either for their success, or for the success of similar efforts undertaken by their competitors. Based on the outcome of energy dreams shown on p.1, we should always be skeptical of breakthrough claims, given the complexity of the challenge. Let's hope for the best.

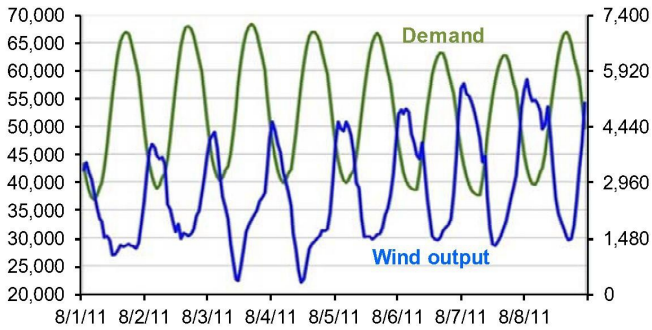
**The cost of electricity storage options**
Range of levelized costs, $ per kWh




Source: EPRI, Electricity Energy Storage Technology Options, 2010, Eos.
CAES: Compressed Air Energy Storage.

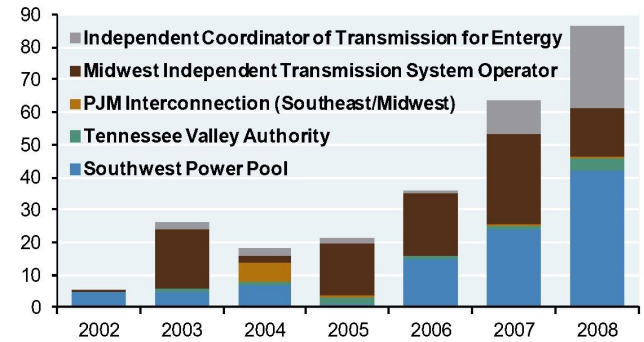
**Here's another look at the financial rewards to anyone who can figure this out.** Note how demands on the Texas electricity grid (ERCOT) are almost 100% inversely correlated with when the wind blows. Either ERCOT gets connected to the national grid, storage solutions are invented, or a lot of wind energy continues to be underutilized. On the right, what happens when 70% of the grid's transmission lines, transformers and circuit breakers are 25-30 years old: **rising congestion problems, signified by rising loading relief requests**. Grid storage has the potential to alleviate some of this congestion.

**Texas electricity demand vs. actual wind output**
Megawatts Megawatts




Source: Electric Reliability Council of Texas.

**Transmission loading relief requests**
Number of incidents, 2002 - 2008




Source: North American Electric Reliability Corporation.



HOUSE_OVERSIGHT_030819

coordination with China on the issue." Could the influence of Western powers in the region be weakened, for the benefit of China? All these concerns come back to one issue: China's new role within the international community. As a new – and still growing – power, some observers fear that China may soon have the ability to challenge and threaten the Western liberal model that has dominated international organizations since the end of the Cold War.

The Reality

These concerns are misplaced. First, the Chinese Communist Party (CCP) has a high level of suspicion toward Western proposals at the international level and within the executive organs of the United Nations in particular. China seems to view the UN as a potential tool to oppose what it considers Western interventionist policies around the world, and it is clear that the Chinese government was greatly disappointed when the United States and its allies acted on their own to impose, by force, a regime change in Iraq in 2003. The frustration was even greater during the Libyan crisis that ended with the overthrow and execution of former leader Muammar Gaddafi. Indeed, from Beijing's perspective, resolution 1973 of the United Nations seeking to impose a no-fly zone in Libya did not give any foreign power the right to intervene militarily on Libyan territory and against the Libyan regime. Beijing learned a lesson. The second element may be more important: Beijing's stance on the Syrian crisis is consistent with China's long-term foreign policy and its fundamental principles. The basis of Chinese foreign policy is articulated in the Five Principles of Peaceful Coexistence, enunciated by Zhou Enlai in 1954: 1) mutual respect for sovereignty and territorial integrity; 2) mutual non-aggression; 3) non-interference in each other's internal affairs; 4) equality and mutual benefit; and 5) peaceful coexistence in developing diplomatic relations and economic and cultural exchanges with other countries.

Since the opening of the country under Deng Xiaoping in 1978, Chinese foreign policy can be more generally characterized as pragmatic. Pragmatism and the five principles are the key to understanding China's response to the Syrian crisis and indeed its general approach to foreign relations. This model excludes moral or ethical arguments from the

I spoke with Mr. Argall by telephone on August 12, 2015, and inquired as to when I could expect a third interim production. He informed me that the FBI reviewer assigned to the Epstein file had not commenced the processing of any additional materials in the 2 ½ months following the May 29 production and, further, that any such review was not currently scheduled and would not begin until, *at earliest*, October 2015. Given the lengthy delays due which include second level FOIA reviews conducted in Southern Florida by either the USAO or FBI, it predictably will take, *at the very minimum*, 5 ½ months from the prior production in May until a third "batch" would be provided (not the 60–90 days I had repeatedly been told was the ordinary delay between separate 500 page productions on large files such as Mr. Epstein's). *At this pace – a production of fewer than 500 pages out of the still unprocessed 11,000 pages each 5 ½ months – the remaining 22 "batches" will not be produced for ten more years.* Mr. Argall also advised that the reviewer assigned to the request was processing other files and that, in essence, other than communicating with me (which Mr. Argall has done on a regular basis), he could not suggest a way to expedite the pace other than by my advising Mr. Epstein to relinquish his FOIA rights to the review of his entire file.

The FBI response to the above-numbered FOIA request has been utterly incompatible with the language of the FOIA, which states that "[u]pon any determination by an agency to comply with a request for records, *the records shall be made promptly available* to such person making such request," 5 U.S.C. § 552(a)(6)(C)(i)(emphasis added), and with court opinions defining the FOIA "basic policy" as focusing on "citizens' right to be informed about 'what their government is up to,'" *Dep't of Justice v. Reporters Comm. for Freedom of the Press*, 489 U.S. 749, 773 (1989). Additionally, the FBI's delays in this matter violate the policy of President Obama, announced on January 21, 2009, which directed each agency to "act promptly" and make "timely disclosures of information." Even further, the Attorney General in a Memorandum for the Heads of Executive Departments and Agencies dated March 19, 2009, stressed that FOIA "professionals should be mindful of their obligation to work 'in a spirit of cooperation' with FOIA requesters," that "unnecessary bureaucratic hurdles have no place in the 'new era of open Government,'" and that "*timely disclosure of information is an essential component of transparency* [*and*] *long delays should not be viewed as an inevitable and insurmountable consequence of high demand.*" (emphasis added). The pace of disclosure where Mr. Epstein has received less than 1,000 of over 12,000 pages in the over 28 months since the OIP required the FBI to process his FOIA request is in stark conflict with the mandates of both the President and the Attorney General. More is required than for Mr. Epstein to simply wait, year after year, for the FBI to comply with its FOIA obligations.*

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* In a recent opinion, *Clemente v. FBI*, 71 F.Supp.3d 262 (D.D.C. 2014), Judge Hogan found that the "FBI is not 'deluged with [a] volume of requests . . . vastly in excess of that anticipated by Congress,'" that the "FBI has not shown exceptional circumstance or sufficient progress in reducing its backlog to warrant an *Open America* stay," and that although the plaintiff's request "that the FBI process 5,000 pages a month is higher than the rate would be in an ordinary case, . . . the FBI has successfully processed documents at that rate in other cases." Mr. Epstein acknowledges the differences between his case and that of plaintiff Clemente, however, an agreement that his file be processed at even 10% of the 5,000 pages a month ordered in the Clemente case would speed up the production of his FOIA file by many multiples given that Mr.



HOUSE_OVERSIGHT_031448

The South China Sea, the Senkaku/Diaoyu, and the ADIZ

Some may argue that China is clearly adopting a more assertive policy in East Asia – using the South China Sea, the Senkaku/Diaoyu islands dispute, or the Air Defense Identification Zone as examples. However, there is a difference, and this has to do with the "sphere of influence" of China and, more specifically, with the sovereignty and integrity of Chinese national territory (as Beijing defines it). For the CCP, the Syrian crisis is a "pure" foreign policy issue, as the Chinese government has no territorial claim in Syria or in the Middle East in general. On the other hand, Beijing has always considered the South China Sea and the Senkaku/Diaoyu islands as part of its sphere of influence and by vigorously defending its claims on those territorial disputes, the CCP purports to do nothing but protect its territorial integrity. It's arguable that this concern with territory has been the very first priority of China throughout its history. The debate over the East China Sea ADIZ, which China established in November, can also be related to the territorial integrity of the Middle Kingdom. However, Western criticisms should be balanced against the knowledge that the ADIZ is an American invention (1950), which South Korea (1951) and Japan (1969) adopted long before China did. At any rate, the South China Sea, the Senkaku/Diaoyu islands, and the ADIZ issues are domestic issues for the CCP, rather than "pure" foreign policy matters.

This article doesn't seek to take a normative position. Rather, the point is that in the Syrian crisis China has followed a consistent foreign policy, in line with its principles and traditions. The outcome of this policy may not satisfy many Western actors, but that is not enough to accuse China of following a more assertive foreign policy toward Western powers and the U.S. in particular. Of course, the new status of China in the international community allows it to make its voice heard, instead of the silence that may have prevailed before its economic arrival. But the considerations of the CCP as it formulates its foreign policy have remained the same since the creation of the PRC. In the future, China is likely to be more capable of achieving its goals in its "domestic" Northeast Asian claims, but there

**From**: Lawrence Krauss [redacted]
**Sent**: 12/11/2017 6:31:28 AM
**To**: Nancy Portland [redacted]
**CC**: Lawrence Krauss [redacted]
**Subject**: Re: URGENT: BuzzFeed News inquiry re allegations of sexual harassment
**Attachments**: DA866543-7401-4A5A-8E50-FD32E33A50EC.png

**Importance**: High

Second Draft:

I appreciate the opportunity to respond to your email. While I am running the risk that you will report my comments, if you do, either out of context, or incompletely, I am responding with an effort to be complete. It is hard to know how to respond to a list of false and/or distorted allegations, along with misleading statements on your part. I treat people I interact with with respect, and I work hard to support and mentor students, colleagues, and members of the general public. I do not sexually harass people. If the purpose of your reporting is to somehow argue that Universities and other institutions are lax in dealing with well known individuals like myself, then in fact the situation is quite the opposite. My high public profile opens me up to more scrutiny at these institutions, not less, and it also opens me up to a host of outside complaints and allegations that other faculty do not receive, each of which the University has to respond to. The fact that I have remained a professor in all Universities with which I have been associated, in good standing, and also an officer or an invited speaker at organizations like CFI, which have strict harassment policies, is a confirmation of the fact that they trust my behavior. I was asked to be an honorary director of CFI, and invited to their last 3 meetings to speak, specifically because, as they have written me after the fact, the attendees universally appreciated my talks, my courtesy, and graciousness in spending time with the attendees. If the purpose of your report is to impugn my integrity or suggest I have a history of harassment, that too is false. As noted in one of your 'miscellaneous facts', as a scientist I try and remain skeptical, and rely on empirical evidence, rather than allegations and innuendo. I also try and judge the facts in context. The fact that Universities and other organizations employ me or have me on their boards, or invite me to meetings is because they value my contributions and my actions.

The items you list are false or distorted. Item 1 refers to a consensual encounter in my hotel room in 2006 where we mutually decided, in a polite discussion in fact, that taking it any further would not be appropriate, and there were respectful and platonic encounters afterwards. There is nothing to comment on in item 3, which involves an anonymous 3rd party claim because I know nothing about it, there are no details provided, and it clearly was not taken seriously enough to result in any university action. Item 4 is confusing. Are you saying that because I decided I didn't want to go out to a bar with a group of attendees that I was harassing them? The second part did not happen. Re incident 5: The 'female companion' in this case is my wife, who can attest to the fact that the claim is false, which is what I wrote at the time in response to the blog in question, causing it to be taken down.

It is worth responding to Item 2 and 6 in more detail,

Re item 2: the student in question was interested in science communication, and on dozens of occasions came to me or wrote to me with questions. When she asked about advice for after graduation I DID tell her she was different than the other students in her year. The rest of them were interested in going on to graduate school, but she was interested in science communication so I told her that she might want to take a different path. Since she was the only woman in her year, as I recall, I did ask her on one of these occasions if that made it difficult for her in any way. I asked, because as a faculty member I was interested in knowing what we could do, if necessary to encourage more women to go into physics, and also because as someone she had asked for career

Job" offers a sweeping synthesis, going as far back as the Reagan administration and as far afield as Iceland in its anatomy of the financial crisis.
Perhaps unsurprisingly, many of the highest-profile players declined to be interviewed. Mr. Summers appears only in news footage, and none of his predecessors or successors as Treasury secretary — not Robert E. Rubin or Henry M. Paulson Jr. or Timothy F. Geithner — submit to Mr. Ferguson's questions. Nor do any of the top executives at Goldman Sachs or the other big banks. Most of the interviewees are, at least from the perspective of the filmmaker, friendly witnesses, adding fuel to the director's comprehensive critique of the way business has been done in the United States and the other advanced capitalist countries for the past two decades.
Both American political parties are indicted; "Inside Job" is not simply another belated settling of accounts with Mr. Bush and his advisers, though they are hardly ignored. The scaling back of government oversight and the weakening of checks on speculative activity by banks began under Reagan and continued during the Clinton administration. And with each administration the market in derivatives expanded, and alarms about the dangers of this type of investment were ignored. Raghuram Rajan, chief economist at the International Monetary Fund, presented a paper in 2005 warning of a "catastrophic meltdown" and was mocked as a "Luddite" by Mr. Summers.
Meanwhile, some investment bankers — at Goldman Sachs in particular — were betting against the positions they were pushing on their customers. An elaborate house of cards had been constructed in which bad consumer loans were bundled into securities, which, were certified as sound by rating agencies paid by the banks and then insured via credit-default swaps. One risky bet was stacked on top of another, and in retrospect the collapse of the whole edifice, along with the loss of jobs, homes, pensions and political confidence, seems inevitable.
How did this happen? Mr. Ferguson is no conspiracy theorist; nor is he inclined toward structural or systemic explanations. Markets are not like tectonic plates, shifting on their own. Visible hands write laws and make deals, and in this case a combination of warped values and groupthink seems to have driven very intelligent men (and they were mostly men) toward folly. In addition to business and government, Mr. Ferguson aims his critique at academia, suggesting that the discipline of economics and more than a few prominent economists were corrupted by consulting fees, seats on boards of directors and membership in the masters of the universe club.
When he challenges some of these professors, in particular those who held positions of responsibility in the White House or in the Federal Reserve, they are reduced to stammering obfuscation — Markets are complicated! Who could have predicted? I don't see any conflict of interest — and occasionally provoked to testiness. Mr. Ferguson, for his part, cannot always contain his incredulity or rein in his sarcasm. Occasionally his voice pipes up from off camera, saying things like, "You can't be serious!"
But it is hard to imagine a movie more serious, and more urgent, than "Inside Job." There are a few avenues that might have been explored more thoroughly, in particular the effects of the crisis on ordinary, non-Wall-Street-connected workers and homeowners. The end of the film raises a disturbing question, as Mr. Damon exhorts viewers to demand changes in the status quo so that the trends associated with unchecked speculation of the kind that caused the last crisis — rising inequality, neglect of productive capacity, endless cycles of boom and bust — might be reversed.
This call to arms makes you wonder why anger of the kind so eloquently expressed in "Inside Job" has been so inchoate. And through no fault of its own, the film may leave you dispirited as well as enraged. Its fate is likely to be that of other documentaries: praised in some quarters, nitpicked in others and shrugged off by those who need its message most. Which is a shame.
"Inside Job" is rated PG-13 (Parents strongly cautioned). Some drug and sex references and pervasive obscenity, though not the verbal kind.

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on seven core issues: the family, the sanctity of human life, religious liberty, education, **sexual exploitation**, national sovereignty, and support for Israel." (Emphasis added)

Its leader, Penny Nance, has called for Acosta's resignation. Noting that labor trafficking, which the Labor Department combats, is often conjoined with sex trafficking, Nance says that President Trump would not have nominated Acosta if reports fully describing Acosta's conduct in the Epstein case had emerged earlier.

Sen. Ben Sasse has also weighed in. He sent a letter to the Justice Department asking it to investigate its treatment of Epstein, including the fact that the plea deal ensured that victims of the pervert would be denied the ability to comment on or object to the leniency of his sentence. Sasse is chairman of the Senate Judiciary Committee Subcommittee on Oversight, Agency Action, Federal Rights and Federal Courts.

Sen. Marco Rubio, a longtime supporter of Acosta, says it would be "very troubling" if political influence led to a light sentence for Epstein. In Rubio's view, and that of every rational person, Epstein "should have been in jail for a long time." Rubio added, however, that he will reserve judgment until he hears Acosta's side.

That's fair. But so far, Acosta has provided no real defense for letting Epstein off so lightly. In public, at least, he is standing by his argument that the deal was a reasonable one and that this is old news.

Previously, Acosta had a different defense. He cited "a year-long assault on the prosecution and the prosecutors" by "an army of legal superstars" who represented Epstein. This allegedly included "defense counsel investigat[ing] individual prosecutors and their families, looking for personal peccadilloes that may provide a basis for disqualification." In this account, the deal was made to relieve the pressure, while still getting a conviction.

Acosta could hardly assert this explanation — i.e., that he wimped out — while seeking a cabinet position with the expectation of being appointed to more exalted jobs in the future. Nor is the explanation particularly plausible. Acosta isn't the first prosecutor to face a scorched earth defense. Ask Ken Starr about this.

I don't doubt that Acosta regarded escaping the wrath of the defense team as a benefit of reaching the plea deal. But I don't believe this was incentive enough to cause him, in effect, to throw the case.

What was the true incentive? As I wrote when this story broke, I think it was the same incentive that explains much of his conduct in public life — Acosta's desire to accommodate people he thinks can help him down the road.

Which people? Probably the lawyers at Kirkland and Ellis, where Acosta had once worked.

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Every businessman knows this; that is why the "loss leader" or the giveaway is such a powerful marketing tool. Obama's America is one in which free stuff is given away: the adults among the 47,000,000 on food stamps clearly recognized for whom they should vote, and so they did, by the tens of millions; those who - courtesy of Obama - receive two full years of unemployment benefits (which, of course, both disincentivizes looking for work and also motivates people to work off the books while collecting their windfall) surely know for whom to vote. The lure of free stuff is irresistible.

The defining moment of the whole campaign was the revelation of the secretly-recorded video in which Romney acknowledged the difficulty of winning an election in which "47% of the people" start off against him because they pay no taxes and just receive money - "free stuff" - from the government.

## Almost half of the population has no skin in the game - they don't care about high taxes, promoting business, or creating jobs, nor do they care that the money for their free stuff is being borrowed from their children and from the Chinese.

## They just want the free stuff that comes their way at someone else's expense. In the end, that 47% leaves very little margin for error for any Republican, and does not bode well for the future.

It is impossible to imagine a conservative candidate winning against such overwhelming odds. People do vote their pocketbooks. In essence, the people vote for a Congress who will not raise their taxes, and for a President who will give them free stuff, never mind who has to pay for it.

That engenders the second reason why Romney lost: the inescapable conclusion that the electorate is ignorant and uninformed. Indeed, it does not pay to be an informed voter, because most other voters - the clear majority – are unintelligent and easily swayed by emotion and raw populism. That is the indelicate way of saying that too many people vote with their hearts and not their heads. That is why Obama did not have to produce a second term agenda, or even defend his first-term record. He needed only to portray Mitt Romney as a rapacious capitalist who throws elderly women over a cliff, when he is not just snatching away their cancer medication, while starving the poor and cutting taxes for the rich.

During his 1956 presidential campaign, a woman called out to Adlai Stevenson: "Senator, you have the vote of every thinking person!" Stevenson called back: "That's not enough, madam, we need a majority!"
Truer words were never spoken.

Obama could get away with saying that "Romney wants the rich to play by a different set of rules" - without ever defining what those different rules were; with saying that the "rich

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The location of the meeting is itself suspicious. Prosecutors and other law enforcement officials normally demand that those seeking a deal come to them.

practice of foreign policy, and as such is antithetical to Western ideals, which raises questions, misunderstandings, and fears among the Western powers as China emerges a major world power. The notion of peaceful development is also important, and is central to Xi Jinping's administration. This concept means that China seeks peaceful relations with other members of the international community to establish fruitful economic relations that will serve Chinese development goals. To achieve this goal, China needs a stable environment. The concept of peaceful development means, according to Xi Jinping, that "China will never seek hegemony or expansion."

Although Western powers may not approve of the "Chinese Model," it does explain Chinese policy on the Syrian crisis.

It is also worth noting the influence of China's domestic situation on Chinese policy in Syria. Beijing cannot legitimize any insurrection abroad, as it has to deal domestically with separatist issues (such as in Tibet, Xinjiang, or Inner Mongolia.). To show that domestic considerations can logically obliterate considerations of human rights, George Abu Ahmad, taking domestic policies of Iran, Russia or China as an example, explains that "the exceptional decision to attack the population is, therefore, not only a sovereign right of the twentieth-century state, but the paramount right that guarantees a state's integrity." This perspective helps us to understand the way in which China may have internalized the causes of the Syrian crisis in the context of its own domestic separatist issues and thus cannot provide any legitimacy to an insurrection abroad.

A final point to make is China's inability and unwillingness to take on a "superpower" role within the international community. China has no experience being a political leader on the international stage, and as a result has mostly abstained in the Security Council on any draft resolution that did not directly affect its own domestic situation. Nor does it like to take any strong stances that could lead to diplomatic clashes with a major power, especially the U.S. It seems improbable, given the record of Chinese positions in the UN, that China would have opposed the Western resolutions on Syria without the support of Russia.

could face a trial. The police had taken a high school transcript, class schedules and phone messages from Epstein's home that showed he knew the girls were underage. Yet Mr. Krischer was more swayed by Epstein's lawyers, who attempted to impugn the girls' character by showing they had chatted on myspace.com about smoking marijuana and drinking. He should have let a jury decide whether the victims - and Epstein - were credible.

Ultimately, one charge against Epstein finally reflected the age of one victim, and the plea agreement left Epstein labeled a sex offender. With that additional charge, if Epstein had been convicted at a trial, he could have been sentenced to anything from probation to 15 years in prison, Assistant State Attorney Lanna Belohlavek said, adding that the recommended guideline sentence was 21 months.

Epstein also won't have to certify to the court that he is receiving counseling, typically required of sex offenders, because he has a private psychiatrist. But without court supervision, who will ensure Epstein is in fact being treated?

The plea deal also drops a federal investigation of Epstein. If a federal investigation was warranted, how does dropping it before completion benefit the public?

Epstein preyed on girls and denied it. For three years, his wealth and the influence of his lawyers bought him the protection the state attorney owed to the victims.

## Police chief's reputation helps discredit attacks

By Larry Keller

Palm Beach Post Staff Writer

Monday, August 14, 2006

In the case of Palm Beach financier Jeffrey Epstein, it seems, at times, as if two men are accused of wrongdoing: Epstein and Palm Beach Police Chief Michael Reiter.

Epstein, 53, was indicted last month on a charge of felony solicitation of prostitution solely because of Reiter's "craziness," one of Epstein's lawyers said. His department disseminated "a distorted view of the case" and behaved in a "childish" manner when the grand jury didn't indict Epstein on the charges it sought, another Epstein lawyer complained. To hear the Epstein camp tell it, Reiter, 48, is a loose cannon better suited to be the sheriff of Mayberry. They whisper that he's embroiled in a messy divorce.

Reiter did in fact file for divorce from his wife, Jill, last year, after 24 years of marriage. They have a son, 18, and a daughter, 14. The couple is scheduled to go to mediation next week, Aug. 16. Nothing in the court file suggests their split is particularly ugly.

Reiter incurred the wrath of the Epstein camp as well as the state attorney's office for two reasons. First, he pressed for Epstein to be charged with the more serious crimes of sexual activity with minors. Second, he slammed State Attorney Barry Krischer in blunt language seldom used by one law-enforcement official concerning another because of what he perceived as that office's mishandling of the case.

In a letter to Krischer written May 1, Reiter called his actions in the Epstein case "highly unusual." He added, "I must urge you to... consider if good and sufficient reason exists to require your disqualification from the prosecution of these cases."

In short, Reiter told the county's top prosecutor for the past 13 years that he ought to get off the case. "It looks like a departure from professionalism," Miami-Dade State Attorney Katherine Fernandez Rundle said of Reiter's letter.

Following Epstein's indictment, Reiter referred the case to the FBI to determine whether the super-rich, super-connected defendant had violated any federal laws.

Reiter won't discuss the case or the broadsides aimed at him. But others almost uniformly use one word to describe the chief: professional.

When Gekko delivers his speech, "Greed, for lack of a better word, is good. Greed is right. Greed works," cinematic history was made.

"Wall Street" was set in 1985, a time before ten financial news networks broadcasting 24/7 existed. The entire financial services industry was largely unknown and Oliver Stone nailed it.

Four years ago, Wall Street's producer Ed Pressman decided it was time for a sequel and met with Fox Film Entertainment co-chairmen Tom Rothman and Jim Gianopulos. Michael Douglas was immediately on-board pending script approval. Steven Schiff wrote the first script before the global economic crash of 2008 rendered it obsolete.

Alan Loeb was brought in for a rewrite. Pressman asked me to meet Loeb at the Carlyle Hotel to explain the social rhythms of New York's financial high society. Whereas Gekko's character was modeled after '70s junk bond kings (Michael Milken) and '80s mergers and acquisitions killers (Henry Kravis), Loeb bases the new villain on hedge fund billionaires like John Paulson and Mike Novogratz, geniuses who have created stratospheric wealth beyond Gordon Gekko's wildest dreams. When Oliver Stone agreed to direct, he rewrote a portion of the script to focus on bankers as well as hedge funders, taking no screen credit.

This past September, Oliver yelled, "action" as Gordon Gekko, with long grey hair, comes back to life as he emerges from a lengthy prison stint shot outside of Sing Sing in Ossining, New York. Gekko is desperate to redefine himself in a different era. The New York Post runs a full-page photo of Gekko and New Yorkers immediately become obsessed with the filming of Wall Street 2.

**A week into shooting, a glorious fall day**. Ed Pressman invites me on the set at the Central Park Zoo. Oliver designs an elaborate tracking shot around the seal pool where Gekko, fresh from jail, walks and talks to Jake Moore, a young idealistic investment banker played by Shia LaBoeuf. They discuss Gekko's daughter Winnie, Moore's fiancée, played by Carrie Mulligan, who is also having an off-screen romance with LaBoeuf. Oliver played Cupid. Moore invites Gekko to the Alzheimer's Ball at the Metropolitan Museum of Art. Gekko, who used to be a sponsor or honoree of such events, cannot even afford a ticket.

The shot starts with a barking seal jumping for fish, then pans down to the actors. Extras weave in and out. In one take Michael makes a wrong turn and ends up at the monkey house. Everyone laughs. The atmosphere on the set is courteous but quick and tense. There is pressure when you are making a sequel to a hit.

I watch the action on monitors while sitting on the producers' canvas chairs with Pressman, Eric Kopeloff ("Monsters Ball") and Celia Costas, who was a location manager on the first "Wall Street." They have asked me to be an extra in the Alzheimer's Ball scene and bring some friends to play rich Upper East Side socialites. Oliver wants over the top glam, go-to-the-vault jewels and couture gowns. "Give me the night before the Titanic goes down," were his exact words. Not a problem.

I pay a quick visit to Michael in his trailer on Fifth Avenue where he is resting. We go way back. I was his personal publicist when he won the Golden Globe and Oscar for Best Actor for "Wall Street" and we have remained great friends. Gekko is just as challenging for him the second time because of endless pages of technical financial dialogue. We discuss Catherine Zeta-Jones' Broadway debut in a "Little Night Music." Michael has a stack of partially finished handwritten thank you notes next to him for gifts received for their shared birthday party on September 25th at the St. Regis. Her 40th and his 65th.

In April, he resigned from his RNC position in the wake of a report that he had paid a former Playboy model $1.6 million in exchange for her silence about a sexual affair. Trump's personal attorney, Michael Cohen — another RNC fundraiser — helped arrange the settlement, Broidy acknowledged.

*[RNC deputy finance chair steps down after admitting Trump's lawyer negotiated settlement between him and pregnant Playboy model]*

Cohen is under investigation by federal prosecutors in Manhattan who are examining whether he fraudulently obtained millions of dollars in loans and whether his efforts to squash negative stories about Trump during the campaign violated election law.

Broidy's business dealings captured the attention of investigators for special counsel Robert S. Mueller III, who asked at least one witness about Broidy's activities, according to a person familiar with the matter.

Broidy's attempts to solve high-level headaches for the Chinese and Malaysian governments were first reported this spring by the Wall Street Journal and the New York Times, which cited in part a cache of hacked emails.

Broidy has said the documents were stolen by enemies seeking to ruin his reputation.

"This whole narrative is a fabrication driven by hackers who want to undermine me," Broidy said in a statement to the Times. Earlier this year, he filed a lawsuit against the country of Qatar, alleging that it hacked his email accounts in retaliation for his allegations that Qatar supports terrorists. A spokesman for the Qatari government has called the suit "without fact or merit."

The Journal reported in March that, according to a draft contract, Broidy and his wife, Robin Rosenzweig, were seeking $75 million from Malaysian businessman Jho Low if federal prosecutors dropped their investigation into a Malaysian state investment fund.

The Justice Department has filed civil suits claiming $4.5 billion in public money was misappropriated from the fund, 1Malaysia Development Berhad, seeking to claim a portion of those assets. Last month, Malaysian authorities charged f ormer prime minister Najib Razak with embezzling billions in public money from the fund.

Clark, the Broidy attorney, told The Journal that Rosenzweig's firm had been hired to provide strategic advice to Low, adding that "at no time did Mr. Broidy or Ms. Rosenzweig, or anyone acting on their behalf, discuss Mr. Low's case with President Trump, any member of his staff, or anyone at the U.S. Department of Justice."

The Times reported in April that Broidy had explored ways to force Chinese exile Guo Wengui to leave the United States. The billionaire businessman had fled China in 2014 as he was facing arrest for a range of charges, including corruption. Guo has said the allegations were fabricated by a government that wants to silence him.

On 12/11/17 1:00 PM, Peter Aldhous wrote:

Dear Dr. Krauss,

Thank you for your responses, which state that the allegations made against you are false and/or distorted.

That does raise a question:

Why do you think that multiple women, over more than a decade, have separately made accusations against you?

Sincerely,

Peter Aldhous

On 12/11/17 9:18 AM, Lawrence Krauss wrote:

I appreciate the opportunity to respond to your email. I am currently on a plane until noon pacific time, and then heading to a meeting right after landing, till about 2 pm or so. While I am running the risk that you will report my comments, if you do, either out of context, or incompletely, I am responding with an effort to be complete, as I always try and do with reporters. If you decide to go ahead with a story, which, after reading my responses, I hope you decide is inappropriate, I would like you to quote my responses fully in order not to distort them.

It is hard to know how to respond to a list of false and/or distorted allegations, along with misleading statements. I treat people I interact with with respect, and I work hard to support and mentor students, colleagues, and members of the general public, and this is supported by the institutions of which I am a part. I do not sexually harass people. If the purpose of your reporting is to somehow argue that Universities and other institutions are lax in dealing with well known individuals like myself, then in fact the situation is quite the opposite. My high public profile opens me up to more scrutiny at these institutions, not less, and it also opens me up to a host of unfounded outside complaints and allegations that other faculty do not receive, each of which the University has to respond to. The fact that I have remained a professor in all Universities with which I have been associated, in good standing, and also an officer or an invited speaker at organizations like CFI, which have strict harassment policies, is a confirmation of the fact that their experience validates a trust in my behavior. I was asked to be an honorary director of CFI, and continue to be invited to their last 3 meetings to speak, specifically because, as they have written me after the fact, the attendees universally appreciated my talks, my courtesy, and graciousness in spending time with the attendees. If the purpose of your report is to impugn my integrity or suggest I have a history of harassment, that too is false. As noted in one of your 'miscellaneous facts', as a scientist I try and remain skeptical, and rely on empirical evidence, rather than allegations and innuendo by people whose motives I cannot judge. I also try and judge the facts in context. The fact that Universities and other organizations employ me or have me on their boards, or invite me to meetings is because they value my contributions and my actions.

The items you list are false or distorted. Item 1 refers to a consensual encounter in my hotel room in 2006 where we mutually decided, in a polite discussion in fact, that taking it any further would not be appropriate, and there were respectful and platonic encounters afterwards. There is nothing to comment on in item 3, which involves an anonymous 3rd party claim because I know nothing about it, there are no details provided, and it clearly was not taken seriously enough to result in any university action. Item 4 is confusing. Are you saying that because I decided I didn't want to go out to a bar with a group of attendees that I was harassing them? The second part did not happen. Re incident 5: The 'female companion' in this case is my wife, who accompanied me on the cruise, and has attested to the fact that the claim is false. This is what I wrote at the time in response to the blog in question, causing it to be taken down.

It is worth responding to Item 2 and 6 in more detail,

of Art. Gekko, who used to be a sponsor or honoree of such events, cannot even afford a ticket.

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I tell him I have been cast as an extra in two scenes and he laughs knowing I am desperate to hang around him and the production.

8:30 a.m. on Wednesday, October 21st, another warm, stunning fall day. I report to the wardrobe trailer on 65th Street and Madison Avenue. I carry four elaborate cocktail dresses and bags of matching accessories. My hair is in rollers. Statuesque Julia Koch walks over from her Park Avenue apartment carrying her white Valentino and long diamond earrings. Her real-life financial titan husband David is unaware where she is this morning.

Vanity Fair's keeper of the Best Dressed List, Amy Fine Collins, arrives totally organized in turquoise vintage Geoffrey Beene, and Vogue's fashion editor Hamish Bowles wears a riot of plaids, patterns and a large yellow fake flower on his lapel. Costume Designer Ellen Mirojnick, who created Gordon Gekko's rich slick look in the first film, is ecstatic with the extras I invited.

Oliver is shooting a scene with Josh Brolin (the star of Stone's "W"). His character Bretton (never Bret) James, a ruthless Wall Street kingpin, and his perfect wife Samantha (Noelle Beck) are hosting a benefit piano recital for a 13-year-old child prodigy in their huge, art-filled townhouse at 41 East 65th Street. The building actually belongs to Baby Jane Holzer, a wealthy art collector still famous for hanging with Andy Warhol in the '60s. The production designer had Jane's fabulous Warhols moved to storage and replaced with matching photographic copies. Very expensive contemporary art is again an important production element of Oliver's vision.

At 10:30 a.m., all the extras are placed around the living room set. Oliver's French mother, Jacqueline Stone, and her friend Monique Van Vooren, both in their 80s, are seated in front of the fireplace chatting in French. Production assistants fuss over them. Debonair macho man Chuck Pfieffer, who appeared in the original film, and I immediately invent a back story—I am his corporate wife—and we position ourselves on a couch next to the director's mother. Julia gets the best spot close to the piano and Amy, Hamish and decorator Geoffrey Bradfield are right behind her. Josh is brought in and the kibitzing stops.

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the country's productive and export sectors all but collapsed, there just wasn't enough of the foreign currencies in circulation.

"If you wanted to buy a packet of sweets for your child, you couldn't get change," said Masiyiwa. Econet intervened with a mobile payments system which has set Zimbabwe on course to become Africa's first cashless economy. "Today 43 percent of the GDP moves through Econet Wireless," said the telecoms mogul. Explained Econet's chief executive, Douglas Mboweni , recently said: "We do not expect anyone to still be using paper money in a year's time. It will be just like Europe or America, where you no longer see people carrying bundles of cash."

Masiyiwa told the Guardian that his next challenge is to create a product that allows people who are informally employed, such as smallholder farmers and casual workers, to access credit. "In Africa 70 percent of people are informally employed," he says. "The big frontier for us is to create platforms where those people can access credit." There is little risk that they will get into unmanageable debt because the banks won't extend excessive credit, calling the system "self-regulating".

"We're trying to build up a savings culture where people are encouraged to save, even if they only have a dollar – for children's school fees, for transport, for the doctor. A savings and credit infrastructure builds resilience." However, in order to reach the unbanked, financial institutions – and telecommunications companies – must design services that are practical, simple and affordable. "I've got a customer who has a dollar in his pocket and has got to decide to have some lunch, call his cousin or go to the doctor," he said.

"We have to develop services with sensitivity to the fact that in Africa our customers don't have the same disposable income as in New Zealand, for example." It would however, be a mistake to assume the poorest behave differently to other customers. "Their behaviour and aspirations are no different from those who have higher incomes," cautioned Masiyiwa. "They want to use Facebook. They want to use WhatsApp. We have to find ways for them to access those things with their very low income."

**The UK Guardian 19-08-2014**

- Will Zimbabwe be Africa's first cashless society? Telecommunications company, and now mobile banking service, Econet Wireless predicts that in less than 12 months notes and coins will be long-gone from this southern African country. "We do not expect anyone to still be using paper money in a year's time," the company's CEO Douglas Mboweni recently said. "It will be just like Europe or America, where you no longer see people carrying bundles of cash." The collapse of Zimbabwe's economy in 2002 paved the way for Econet Wireless's mobile payment system. "Hyperinflation had destroyed people's confidence in financial institutions," said the Zimbabwe company's founder, Strive Masiyiwa, at the Mastercard Foundation Symposium on Financial Inclusion in July.

"The lowest denomination circulating was $1," Masiyiwa said. "If you want to buy a packet of sweets for your child, you can't get change." The company set up a mobile payment system that handles small amounts and allows people to save as little as $1. "Today 43% of the GDP moves through Econet Wireless," he concludes. Masiyiwa was born in Zimbabawe (then Rhodesia) in 1961. He and his parents fled the country in the turmoil after prime minister Ian Smith declared independence in 1965, settling in Zambia. His parents, who ran their own business, could afford to send Masiyiwa to school in Scotland when he was 12. After school he studied electronic engineering at the University of Wales and worked briefly for a computer company in Cambridge before returning to Zimbabwe in the early 1980s.

**From:** [redacted]
**Sent:** 7/4/2018 1:02:08 PM
**To:** jeevacation@gmail.com
**Subject:** Re: Hello

**Importance:** High

Personal/Political bias is one thing (I still would exploit it any and every time on cross); this was an obsession and directly relevant "Stop Trump." Also, the IG made clear in his testimony Strzok told him McCabe was there. McCabe is another real character. He denies this; but he also is irreconcilably at odds with Comey on WSJ leak. Absolutely right that taking emails alone is not fair; but I would point out that it is folks like Strzok and company who have ruined many a businesman's life based exclusively on a twisted reading of emails sold to a jury. Flynn is an interesting case. I believe I could have gotten his plea back for him in a second based on what has surfaced; but he decided to go a different way. But as to your underlying point that there might well be something to go after with these guys, I hear you; but I have spent my whole career fighting bullies and crooked, unethical prosecutors. That will remain a guiding principle for me, whether the target is popular, hated, a complete jerk, guilty, etc. I am doing ok, thanks. I see you really follow this stuff.

-----Original Message-----
From: jeffrey E. <jeevacation@gmail.com>
To: David Schoen [redacted]
Sent: Wed, Jul 4, 2018 8:51 am
Subject: Re: Hello

we're on the same team. strzok. testimony was that discussions with lovers , often include embellishments. and not indicative of non professionalism. I believe he said nothing more than it referenced " andys office". . [redacted] says andy was there. how many other people were there ? were strzok and [redacted] off in the corner talking to each other . was mccabe on the phone? you know that taking emails alone is not meaningful. . isnt it a but much to say that prosecutors that have strong opinions . should be looked out with skepticism? who doesnt have bias. . strzok had many neg hillary opinions . . - michael cohen. michael flynn. . are not fictions created by mueller ? how are you ?

On Wed, Jul 4, 2018 at 8:31 AM, <[redacted]> wrote:

Gotti was an anomaly because of his personality (some agents loved him and some hated him); but I get your point. Couple of things:

1. This the investigation of the President. It is only as good as public confidence in it can be (subtracting the conspiracy theorists on both sides). We just can't have someone with this kind of political bias as a lead investigator. But more importantly, he was not alone. He was just stupid enough to show it in office emails. We don't yet know what his private emails showed. Strzok, however, says that he met with McCabe - the number 2 guy in the FBI - and in his office discussed how best to stop Trump from becoming President. That just cannot be tolerated. Plus, if I find any evidence of personal or other extraneous animus in any case by any agent or prosecutor, I view it as an open invitation for cross examination and any other exploitation possible as it cannot be an accepted part of the process.

2. In this whole matter, I am most disturbed by the composition of the Mueller team and it seems to me that if we are to learn anything from the IG's report it is the importance of having an investigation conducted above-board without personal and political baggage. Mueller had a whole universe of lawyers from around the country to choose from to make up his team. He purposefully chose a murderer's row of the worst. I can go one by one; but I will spare you. Here are a couple of examples:

A. Andrew Weissmann was known in the EDNY as "The Pathological Liar" after the SNL character. He literally would withhold exculpatory evidence throughout the case and then one day when defense counsel went to the bathroom or lunch, stick the documents under others on his table and tell the judge the lawyer had it all along. I have been brought into a case in which he lied from start to finish - and now his rats have come to me to admit their role in it - to get murder convictions in two cases. He has been cited by judges for his misconduct and he runined both Arthur Anderson and Enron through his work, all of which was rejected by the higher courts. He also is a Trump hater and Clinton sycophant. Mueller knows Weissmann's conduct up close and personal. He chose Weissmann for his chief counsel at the FBI years ago.

I tell him I have been cast as an extra in two scenes and he laughs knowing I am desperate to hang around him and the production.

**8:30 a.m. on Wednesday, October 21st, another warm, stunning fall day**. I report to the wardrobe trailer on 65th Street and Madison Avenue. I carry four elaborate cocktail dresses and bags of matching accessories. My hair is in rollers. Statuesque Julia Koch walks over from her Park Avenue apartment carrying her white Valentino and long diamond earrings. Her real-life financial titan husband David is unaware where she is this morning.

Vanity Fair's keeper of the Best Dressed List, Amy Fine Collins, arrives totally organized in turquoise vintage Geoffrey Beene, and Vogue's fashion editor Hamish Bowles wears a riot of plaids, patterns and a large yellow fake flower on his lapel. Costume Designer Ellen Mirojnick, who created Gordon Gekko's rich slick look in the first film, is ecstatic with the extras I invited.

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Graydon Carter is at the next table. I tell him Oliver Stone wants him in "Wall Street 2" as an extra. (I make this up.) Graydon jokes that he only works with lines. I say, "Not a problem." (This will be news to Oliver.)

Back on the set I tell Oliver that Graydon is willing to be in the film with lines. Oliver finds that intriguing.

Oliver shoots the piano recital scene over and over again from different angles all afternoon. Financial wizard Don Marron saunters on the set to visit and Oliver spontaneously puts him in a scene chatting with Josh. Carrie Mulligan hangs out watching boyfriend Shia work.

At sundown Julia Koch has to race from reel to real life and explain to her husband where she has been all day. (He loves it.)

J.P.Morgan

# market thoughts

**Richard Madigan, Chief Investment Officer, J.P. Morgan Private Bank**

**November 2012**

## A brief introduction (and a promise)

For those of you who don't know me from my former position as Chief Investment Officer of the Global Access Portfolios, where I oversaw $16 billion in private and institutional client assets, **I want to briefly introduce myself in my new role as Chief Investment Officer of the J.P. Morgan Private Bank.**

I've been part of the investment and strategy team at the Private Bank since 2004, when I returned to the firm to work with Michael Cembalest as he assembled a global strategy team to work on behalf of private clients. I was responsible for global multi-asset investment strategy and asset allocation for our international clients before taking on the role as CIO for Global Access.

During my time with Global Access, I wrote a regular investment strategy note, *Market Thoughts*, which we sent to clients globally. In my new role, I want to re-establish the discipline of putting pen to paper around our market views: what we are thinking, what we are seeing as core investment themes, and how we are investing across global markets.

There is nothing more humbling than writing down and clearly explaining what you think, and why, about the world and markets. I have a well-established practice with our family physician: I promise not to confuse him with investment nonsense if he promises not to do the same with medical gibberish. I promise the same clarity with this note.

## Same as it ever was

"Once in a Lifetime" is a song by the band Talking Heads. It has come to mind repeatedly as I've listened to the media talk about the recent U.S. elections. There is a line in the song that keeps repeating the phrase "same as it ever was," which seems to be, post-election, where we've landed.

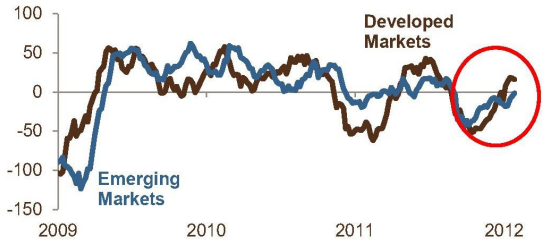
The United States just ran a national election where an estimated $6 billion was spent campaigning. The result across Congress, state governorships and the presidential popular vote was effectively a 50/50 split. **Ironically, an election this important is supposed to help bring direction and clarity, and instead we have continued short-term uncertainty. We believe that will translate into a market that trends higher over the next 12 months, but with air pockets.**

**Right now, the most important policy debate and air pocket is around the fiscal cliff.** The good and bad news is we have to see movement in the next few months. There isn't a choice. The one thing that did ring clearly from the U.S. election is the degree of frustration around partisan bickering and policy inaction. This was Obama's last campaign, so he is playing for posterity. Congress recognizes it is already playing to mid-term elections in 2014, and while I never count on pragmatism from politicians, **it's actually in everyone's interest for the first time in three years to work together.** Everyone wins, and if not, has the other side to blame come 2014.

## Looking ahead

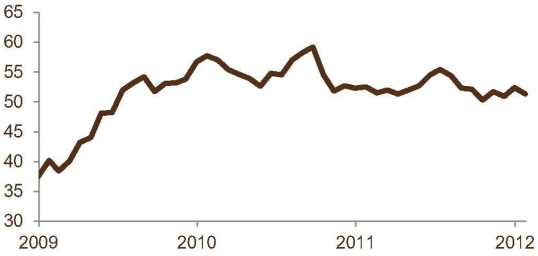
**From a macro perspective, we believe the global economy is bottoming, though we are likely to sit along the bottom of a U-shaped recovery into early next year: growing, but not yet inspiring.** The immediate effects on growth from Hurricane Sandy are going to need to be better understood, along with how protracted a recession Europe is facing. Markets reflect expectations, and already, data that is less bad shows improved leading indicators, consumer confidence and surprise indices. So less bad will eventually be good; we simply need to see a trough in activity to lessen market uncertainty.

**Economic data has been surprising to the upside**
Economic surprises; Index level




Source: Citigroup, Bloomberg. Data as of November 2012.

**Global manufacturing and services survey**
J.P. Morgan Global Composite PMI




Source: J.P. Morgan Securities LLC, Bloomberg. Data as of October 2012.



HOUSE_OVERSIGHT_030840

J.P.Morgan

Global Asset Allocation
28 March 2013

# The J.P. Morgan View

## Local forces are dominating

- **Asset allocation** — Local risks and opportunities trump global forces in driving investment opportunities. Cross-market correlations to remain much lower than in recent years.
- **Economics** — US activity data are coming in better than hoped, but we need another 1-2 months to see how consumers are responding to higher taxes.
- **Fixed Income** — Search for carry to trump Euro area jitters over time.
- **Equities** — Japan remains our main country overweight.
- **Credit** — We OW covered bonds in the Euro periphery over senior bank bonds and subordinated vs senior bank bonds in the core.
- **Currencies** — Cyprus to have minimal further impact on EUR, but a ECB rate cut would push it a few cents lower versus the dollar.
- **Commodities** — Stay long Brent and short gasoline.

- **US stocks continue to gain, with the benchmark S&P500 breaching its all time high level** today in a gentle fashion. Bonds are generally up this week on dovish comments from both the Fed and the BoJ. Commodities have gained also, but credit remains the troubled asset class with spreads wider in most markets, especially in EM external debt.
- **Our overall investment theme remains that there is no overarching global investment theme** anymore this year but instead a number of **unrelated local forces that have largely local impact**. The generalized **asset reflation** we saw last year, with risk premia coming down consistently across the globe and asset classes, was due to a gradual fading of tail risks that has since been largely completed. "**Risk-on, risk- off is so last year**".
- In addition, we are seeing **no momentum either way in global growth, price or earnings expectations** that could put us into a bullish or bearish growth story. Our 2.4% projection for 2013 world economic growth is unchanged since November. YTD activity data for the world are tracking our 2.6% forecast for Q1, comfortably up from the dismal 1.6% in Q4 of last year. Amidst offsetting up- and downside surprises in the US and Japan versus Europe, there has been no reason yet to raise the growth profile for the year as a whole. We hope, but need evidence first.
- Without a global growth or fading-of-tail-risks force, we are left with a set of local issues and opportunities that are having a local impact, at the regional, asset class and company level, that should leave the rest of the world largely unmoved. In this environment, **correlations across regions and risk markets should remain significantly lower** than in past years. Various markets may seem to behave "inconsistently" with others, but we caution against expecting simple mean reversion, given our view of the reduced impact of global factors. Active investors should pay more attention to local fundamentals while long-term investors can expect to achieve greater gains from cross-market and international diversification.

**See page 7 for analyst certification and important disclosures.**

Click play to view the video

**Global Asset Allocation**

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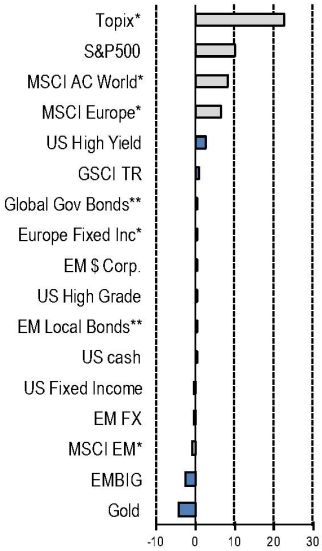
**YTD returns through Mar 27**
%, equities are in lighter color.




Source: J.P. Morgan, Bloomberg. See blue box on page 2 for description.

Such remarks are based more on wishful thinking than fact, but Iran's efforts to destabilize its neighbors are tireless. As Riyadh fights a cold war with Tehran, Washington has shown itself in recent months to be an unwilling and unreliable partner against this threat. The emerging political reality is a Saudi-led Arab world facing off against the aggression of Iran and its non-state proxies. Saudi Arabia will not allow the political unrest in the region to destabilize the Arab monarchies — the Gulf states, Jordan and Morocco. In Yemen, the Saudis are insisting on an orderly transition of power and a dignified exit for President Ali Abdullah Saleh (a courtesy that was not extended to Hosni Mubarak, despite the former Egyptian president's many years as a strong U.S. ally). To facilitate this handover, Riyadh is leading a diplomatic effort under the auspices of the six-country Gulf Cooperation Council. In Iraq, the Saudi government will continue to pursue a hard-line stance against the Maliki government, which it regards as little more than an Iranian puppet. In Lebanon, Saudi Arabia will act to check the growth of Hezbollah and to ensure that this Iranian proxy does not dominate the country's political life. Regarding the widespread upheaval in Syria, the Saudis will work to ensure that any potential transition to a post-Assad era is as peaceful and as free of Iranian meddling as possible. Regarding Israel, Riyadh is adamant that a just settlement, based on King Abdullah's proposed peace plan, be implemented. This includes a Palestinian state with its capital in East Jerusalem. The United States has lost all credibility on this issue; after casting the sole vote in the U.N. Security Council against censuring Israel for its illegal settlement building, it can no longer act as an objective mediator. This act was a watershed in U.S.-Saudi relations, guaranteeing that Saudi leaders will not push for further compromise from the Palestinians, despite American pressure. Saudi Arabia remains strong and stable, lending muscle to its invigorated foreign policy. Spiritually, the kingdom plays a unique

**outs is politically untenable**. This removes the implicit 'cover' that senior bonds holders have enjoyed and has increased speculation that implementation of the bail-in proposals under the EU's Resolution & Recovery Directive (RRD) will be brought forward to 2015 from the current 2018 time-frame.

- As such, our colleagues in European Credit have examined the implications of changing recovery rate expectations across the bank capital structure. Assuming that covered bonds remain outside the scope of the proposals, we expect senior bank bond spreads to widen relative to covered bonds **and prefer being OW covered bonds vs senior bonds in the periphery,** particularly in Spain where covered bonds have first claim over the entire mortgage book of the bank. From a relative value point of view, we also suggest owning **subordinated bank bonds vs senior bank bonds in the core** as, under the new RRD regime, there is a higher probability than before that senior bank bond holders will lose money and this risk is, in our mind, not yet in the price (*Rethinking the capital structure*, R. Henriques et al., Mar 27).

## Foreign Exchange

- Today's research note, ***Sacrificing Cyprus,*** examines several presumptions which have arisen over the past two weeks due to the Cyprus crisis, and scores them on a scale of truths, half-truths and falsehoods. There are indeed some right conclusions to draw from this experience, but also some wrong ones. As examples, it is true that capital controls have created a two-tier euro, but very unlikely that Cyprus is exiting EMU. And while it is true that markets deserve a risk premium for policy uncertainty, the size of the premium should be much lower than in previous crises due to backstops like the OMT.

- For example, during the first Greek crisis in May 2010 EUR undershot by 10% relative to cyclical conditions at that time, and during Greek elections in May 2012 the currency undershot by 5%. The combination of Italian and Cypriot events have eliminated the euro's overvaluation from early 2013, when the currency spiked to the high $1.30s on a presumption that LTRO funds would be repaid rapidly, driving European rates higher. The currency is now close to fair value, so carries no risk premium for contagion. The message is similar in vol markets: the 1% premium for 3-mo implied versus realized vol is far less than the 5% premium witnessed during previous crises.

- While there is no evidence that the EUR/USD cash or options market carries a risk premium, it is also true that the required premium should probably be far less than in previous crises given that a sovereign funding backstop like the OMT is in place. We are thus **reluctant to extrapolate this mini-crisis into a systemic event which triggers broad deleveraging**, or to forecast trend euro weakness. The currency could trade down a couple of cents around an ECB rate cut, but assuming that fears around Cyprus contagion pass in a month or two, the currency should reverse its recent decline by the summertime.

## Commodities

- **Commodities rallied this week, up almost 2%, led by energy.** We went tactically **long Brent** in last week's *J.P. Morgan View* as we believed that the correction in oil markets had brought prices too far below our price forecast of $112/bbl. Since then Brent is up around 1.5%. We stay long and expect further price appreciation over coming months. We are also **short gasoline vs. Brent**. Gasoline cracks (the premium for gasoline over crude prices) spiked over the first three months of the year due to a combination of low inventories and refinery closures that came during refinery maintenance season. As refinery maintenance comes to a close and demand falls seasonally, gasoline prices should fall relative to Brent.

- We went long **Soybean time spreads** late last year (*GMOS*, Dec 5) on a view that much higher Brazilian supplies would find it difficult to leave the country due to logistical constraints. Since then we have seen a record number of ships planning to load soybeans in Brazilian ports and this number is still rising. The average waiting time before loading is also rising, now 38 days compared to 26 days a month ago. This has caused the front Soybean contract to rally while longer maturity contracts have been depressed by the much higher than normal supply inside the country. The spread between the May-13 and Jul-13 contracts has doubled since we put the trade on in December. **We stay long** as we think these logistical issues are unlikely to be resolved anytime soon.

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worker asked this question on behalf of the world's second most-populous nation:

"It is often said that India does not dream big and that is the root cause of all our problems. Why can't we dream like China, Europe or America?"

Note how Mr. Modi compares India to other continental powers. This reveals just how much today's 1.25 billion Indians, who are digitally hitched to the global flow of ideas, have adopted new views of their capacity for progress – not only for India but for themselves.

During his campaign, Modi tapped into this rising aspiration for India to emulate the best in other countries. One in eight voters went to the polls for the first time, a sign of the fact that two-thirds of the population is under 35. He and his Bharatiya Janata Party (BJP) promised economic growth, clean governance, and decisive leadership, all of which Modi delivered as chief minister of Gujarat state – although sometimes too harshly or divisively.

His record and his campaign promises really reflect an India ready to join the global community. Voter turnout was a record 66 percent. And the electoral results cut across the old divides of caste, rural vs urban, old vs. young, poor vs. middle-class. On those measures alone, India has surpassed China, which is not even allowed to have elections, and the political disunity in Europe and America.

The BJP's election sweep was achieved in part out of public frustration with the long-ruling Congress party. Its corrupt, paternalistic, and dynastic style no longer fits an India of smart phones and social mobility. More than two-thirds of Indians are dissatisfied with their country's direction, according to a Pew poll. In throwing off the past, voters have allowed the BJP to rule with a clear majority in the lower house of parliament. Such a feat was achieved only once before, in 1984, after the assassination of Indira Gandhi boosted the Congress party in an election.

As prime minister, Modi must not forget he is riding an awakening of Indian expectations as much as leading them. His checkered past as a Hindu nationalist, and in sometimes treating India's Muslims as less than citizens, cannot color his leadership in a constitutional democracy.

# Gloria Allred Says More Women Are Contacting Her About Trump Misconduct

*Gloria Allred in New York City in June 2016 (Getty Images)*

Donald Trump's disgusting behavior towards women has ranged from fat-shaming to allegations of sexual harassment, and, as we heard in the infamous "hot mic" audio from a 2005 Access Hollywood segment, even sexual assault: "You know I'm automatically attracted to beautiful—I just start kissing them. It's like a magnet... And when you're a star, they let you do it, you can do anything. Grab 'em by the pussy." Unsurprisingly, allegations are flying about much more dirty laundry yet to be aired, with reporters chasing down possibly damaging evidence and looking for other victims.

Gloria Allred, the civil rights lawyer who takes on high-profile targets, like Bill Cosby, Roman Polanski and, yes, Trump, confirmed to us that since the *Access Hollywood* tape's release, she has been "contacted by women who allege inappropriate contact by Mr. Trump."

More to the point, Allred discussed how Trump's words suggest criminal behavior. "If there is an unwanted or unconsented to touching of a person's intimate parts such as the genital areas or a woman's breasts, that could constitute a sexual assault or a sexual battery," she explained yesterday. She added that "when Rudy Giuliani was asked" on Sunday's political programs "if Donald Trump was describing a sexual

**From:** [redacted]
**Sent:** 3/8/2011 11:48:30 PM
**To:** Jeffrey Epstein [jeevacation@gmail.com]
**Subject:** Re: Looking for someone who made the early bet that Middle East would implode...

**Importance:** High

I see you released a statement. Good move. You should tell people that all this stuff happened years ago.

Sent from my BlackBerry® wireless device

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**From:** Jeffrey Epstein <jeevacation@gmail.com>
**Date:** Tue, 8 Mar 2011 12:40:10 -0800
**To:** <[redacted]>
**Subject:** Re: Looking for someone who made the early bet that Middle East would implode...

# Jeffrey and Ghislaine: Notes on New York's Oddest Alliance <http://www.vanityfair.com/online/daily/2011/03/notes-on-new-yorks-oddest-couple-jeffrey-epstein-and-ghislaine-maxwell.html>

by ***Vicky Ward*** <http://www.vanityfair.com/contributors/vicky-ward>
March 8, 2011, 2:30 PM

"I've got a story idea for you. The rebuilding of Indonesia. Or New Orleans. Or both. Go there. I've just been. You will never think the same way about anything again."

So spoke not Bill or Melinda Gates, but Ghislaine Maxwell, the 48-year-old woman being written up everywhere at the moment as the alleged "procurer" of young women for billionaire Jeffrey Epstein. Epstein, 57, is the financier who spent a year in jail on charges of soliciting prostitutes—and now there is talk of another investigation because various women, now in their twenties and thirties, have come forward with allegations that he molested them when they were under-age. The allegations first surfaced in British newspapers, which have zeroed in on Epstein's friendship with Prince Andrew, who has recently tried to publicly disassociate himself from his old pal.

I wrote a piece for *Vanity Fair* in 2003 called "The Talented Mr. Epstein." It was largely a business piece that focused on his mysterious exit from Bear Stearns in 1981, his close relationships with Jimmy Cayne, Les Wexner, the chairman of Limited Brands, and above all, the man who claimed to be his mentor, Steven Jude Hoffenberg, who is currently serving a 20-year-jail sentence for bilking investors in Towers Financial out of $450 million.

The piece alluded to Epstein's great friendship with Maxwell, and how she introduced him to young women with whom he had sexual relationships. But, in the end, the story didn't really go there, focusing instead on the issue that remains a mystery—how Jeffrey made his money, and how Ghislaine made hers.

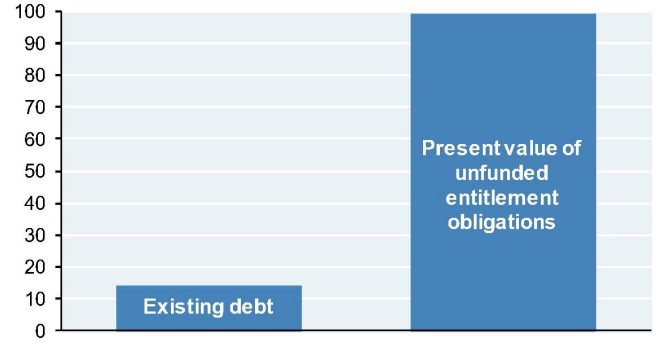
This is not to say I didn't hear stories about the girls. I did. But, not knowing quite who to believe, I concentrated on the intriguing financial mystery instead. But now the women have come back. Not the same ones, different ones. And their stories are bone-chilling. Journalists from England have phoned—and, in one case, flown—to ask me about Epstein and Maxwell. Who is he? And the British, especially, want to know: Who is she? At this point, I am so bored of repeating myself to others—it was, after all, my 2003 *Vanity Fair*story that really brought him into the limelight—that I have decided to write about this myself.

Bizarrely, perhaps, I have gotten to know Jeffrey and Ghislaine far better *after* my piece than before it. I kept running into both of them, separately, at parties. Jeffrey is not a social animal so he usually has a couple of young women with him who stand two feet behind him, as if serving a monarch. "Do they speak?" I remember asking him once, nodding at his lookalike blondes. He laughed. "Not like *you,*Vicky," was his riposte.

I remembered that when we'd once discussed math—in particular, an isosceles triangle—and I revealed I hadn't

**Topics: Portfolios, US corporate profits and the Twilight of the Gods (in the US, Europe, China and the IEA)**

**The existing Federal debt is the lesser of 2 problems**
Trillions, USD




Source: US Department of the Treasury, J.P. Morgan Private Bank.

| Items on the table in discussions to reduce the deficit | |
|---|---|
| **Revenue raises** | **Spending cuts** |
| Carried interest taxed at ordinary income rates | Discretionary spending cuts |
| Increased taxes on ordinary income, capital gains and qualified dividends | Changing formulas affecting inflation indexation for entitlements |
| "Bracket creep": higher tax brackets applying to lower incomes more quickly | Defense spending cuts |
| Phase-out of personal exemptions or caps on itemized deductions | Expenditure caps |
| Changes to grantor retained annuity trust required terms | Change in entitlement eligibility requirements |

**Twilight of the Gods, part 2: Can releases of strategic oil reserves keep oil prices down for more than a few weeks?**
International Energy Agency member countries agreed to release strategic petroleum reserves to bring oil prices down. They have a lot of ammunition to do so; government-controlled oil inventories are at least 1.5 *billion* barrels, and so far, all they have done is authorize the release of 60 *million* barrels. The timeline suggests that oil markets began focusing on the release of the SPR after the Libyan shutdown, the lack of a sufficient OPEC supply response, and weak economic data in the US. As shown below, oil prices have been *rising* since the announcement of the supply increase. Are IEA members committed to doing it again if oil prices reach their May levels?

**Brent oil price and timeline of SPR release**
USD/bbl

Source: Bloomberg.

[A] May 2: Advisors lay out SPR release plan to Obama

[B] May 6: Obama calls Abdullah (S.A.) and Sabah al-Ahmad (Kuw) to discuss SPR release

[C] May 19: IEA urges OPEC to increase production or else member nations are prepared to use "all tools" to protect global economy

[D] May 27: Former White House energy advisor predicts IEA SPR release

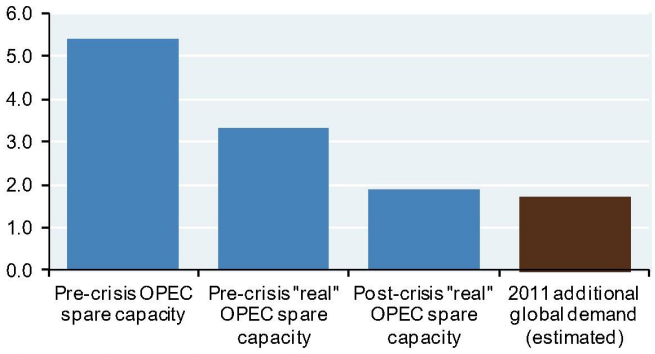
[E] June 8: OPEC does not agree on production increase

[F] June 17: Obama authorizes IEA-SPR release feasibility study

[G] June 23: SPR release announced

**The problem for the IEA is that the tightness in oil markets is not just a sudden supply shock**. As shown in the bottom chart we first published in March, there was not much slack even before the Libyan shutdown, and oil demand is expected to rise 1-2 mm bpd as the developed and emerging world continue to grow. One of our colleagues used to work at the IEA, and in a recent piece[4], argued that the impact of the SPR release will be limited to Q3 2011, and that upside oil price risks to 2012 have increased. Why? The SPR release came at a time when OPEC tanker traffic made it clear that producing countries were having problems meeting prior pledges: "*As such, it is difficult to conclude anything except that there is little or no spare capacity in the oil market*". If that's the case, future interventions may not have a lasting impact either.

**Post-Libya OPEC spare capacity running out**
Millions of barrels per day




Source: J.P. Morgan Securities LLC.

[4] "*Oil Market Monthly: Living with No Spare Capacity*", Lawrence Eagles, Commodities Research, JP Morgan Chase Bank NA, 7/7/ 2011



HOUSE_OVERSIGHT_030810

"Congress is all over the place," Gates says at one point. "And the Republicans are a perfect example. I mean, you've got the budget hawks and then you've got the defense hawks within the same party. And so I think there is no consensus on a role in the world."

In some ways, the first part of his tenure was easier. During the Bush years, money was never an issue. By contrast, Obama faced a harsh economic reality, and Gates tried to get in front of the issue by shrinking the Pentagon budget. But his cuts satisfied neither hawks nor doves nor the White House. This spring, when Obama announced a $400 billion reduction in defense spending, Gates got just 24 hours' notice. Gates, who'll be succeeded by CIA chief Leon Panetta, wins bipartisan accolades for restoring morale at the Pentagon and, more important, repairing relations with Congress, which had grown distrustful of the Defense Department under Rumsfeld.

Bridging two administrations, Gates gets credit for stabilizing Iraq, though the key decisions that led to success--a surge of troops and the appointment of Gen. David Petraeus to oversee the strategy--predated his arrival. Petraeus says Gates knew that his real contribution was to buy time in Washington for the strategy to succeed. " 'Your battle space is Iraq. My battle space is Washington,' " Petraeus recalls Gates telling him. Gates concedes he was sometimes on the wrong side of an issue. For instance, he was gun-shy about using ground troops to kill Osama bin Laden, arguing that Obama should opt for an airstrike instead. Gates hesitated because he feared a repeat of the bungled 1980 attempt to free American hostages in Iran that killed eight U.S. servicemen. "I was very explicit with the president in one of the discussions," Gates acknowledges. "I said: 'Mr. President, I want truth in lending. Because of experience, I may be too cautious, you know.'?" Obama overruled Gates, siding with those who wanted to deploy the elite Navy SEALs, securing the biggest victory in the 10-year war on terror. Rather than a transformational figure, a more

Adrien Morin

May 18, 2014 -- The crisis in Syria erupted early in 2011 as part of the Arab Spring and worsened as the year went on. A first draft resolution to intervene in Syria was proposed by France, Germany, Portugal and the U.K., on October 4. This proposal was vetoed by Russia and China, marking the start of a long diplomatic impasse with Moscow and Beijing on one side and the Western powers on the other. China and Russia would later veto two more draft UN resolutions. Three years after the clashes in Syria began, and with the civil war now being supplanted in media headlines, it is worth reviewing Chinese policy. Has Beijing purposefully been more assertive toward Western powers, and the U.S. in particular?

Western Concerns

Chinese foreign policy worries the West on a number of fronts. One concern is the formation of a "united front" of China and Russia, to oppose Western goals. Certainly, China and Russia have together vetoed draft resolutions supported by the three other permanent members of the Security Council. The world has meanwhile witnessed China's impressive rise in recent decades as well as Russia's attempts to return to Great Power status. Perhaps an anti-Western alliance of those two actors could indeed challenge the U.S. and its allies. In the meantime, the West finds itself frustrated by Chinese foreign policy pragmatism, or as the critics would have it, the absence of values. This is de facto incompatible with Western moral ideals, which invoke human rights or other ethical arguments. Chinese realpolitik is seen as amoral, if not immoral. Chinese policy is also not up for domestic debate – a lack of transparency and little civic engagement make sure of that. Those who fear that Chinese foreign policy is driven by the intent of challenging (and eventually supplanting) the West would view Beijing's support for the Syrian regime as ideological. This concern rises as China becomes more popular in the Middle East. Mostafa Kamel, a member of the Egyptian Foreign Ministry, "expressed admiration for China's position and proposition on the Syrian issue and said that Egypt is willing to strengthen communications and

oppressive, militarized or, perhaps worse, anarchic environment. Indeed, as Berlin intimates, what follows dictatorial rule will not inevitably further the cause of individual liberty and well-being. Absent relentless, large-scale human-rights violations, soft landings for nondemocratic regimes are always preferable to hard ones, even if the process takes some time. A moral argument can be made that monsters like Muammar el-Qaddafi in Libya and Kim Jong-il in North Korea should be overthrown any way they can, as fast as we can, regardless of the risk of short-term chaos. But that reasoning quickly loses its appeal when one is dealing with dictators who are less noxious. And even when they are not less noxious, as in the case of Iraq's Saddam Hussein, the moral argument for their removal is still fraught with difficulty since the worse the autocrat, the worse the chaos left in his wake. That is because a bad dictator eviscerates intermediary institutions between the regime at the top and the extended family or tribe at the bottom—professional associations, community organizations, political groups and so on—the very stuff of civil society. The good dictator, by fostering economic growth, among other things, makes society more complex, leading to more civic groupings and to political divisions based on economic interest that are by definition more benign than tribal, ethnic or sectarian divides. A good dictator can be defined as one who makes his own removal less rife with risk. While the logical conclusion of Mill's essay is to deny the moral right of dictatorship, his admission of the need for obedience to an Akbar or a Charlemagne at primitive levels of social development leaves one facing the larger question: Is transition from autocracy to democracy always virtuous? For there is a vast difference between the rule of even a wise and enlightened individual like the late-sixteenth-century Mogul Akbar the Great and a society so free that coercion of the individual by the state only ever occurs to prevent the harm of others. It is such a great disparity that

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The Private Bank CIO Team is composed of market strategy, portfolio construction and a dedicated quantitative research and analytics team that also oversees investment risk. The team is global, with senior CIO Team members based in New York, London, Geneva, Hong Kong and Singapore. Strategy and Portfolio Construction for Latin America are based in New York.

Previously, Richard held the title of Chief Investment Officer for the Global Access Portfolios, where he and his team managed in excess of $16 billion in client assets across 35 countries.

Richard brings over 20 years of experience in portfolio management and international capital markets to the firm. Prior to his current role at J.P. Morgan, he held the title of Managing Director, Head of Emerging Markets Investments and Senior Portfolio Manager at Offitbank, a New York-based wealth management boutique, where he managed peak assets in excess of $1 billion in both domestic and offshore portfolios, including the firm's flagship emerging markets mutual fund. He was also a senior member of the firm's investment committee. Before joining Offitbank, Richard worked for J.P. Morgan's Investment Banking division in New York in the emerging markets securities business. He previously spent six years with Citicorp, first as a banker in Mexico and then in the firm's international corporate finance division in New York.

Richard's commentaries have appeared in the *Financial Times, The New York Times*, *The Wall Street Journal*, Bloomberg and Reuters. He is a frequent guest speaker on CNBC, and has also appeared on CNN and *Bloomberg News*, as well as various industry conferences. Richard holds a master's degree from New York University, where he majored in Finance and International Business. He has lived both in Europe and Latin America, and currently resides with his wife and children in New York City.

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**MSCI World Index**—The MSCI World Index is a capitalization weighted index that monitors the performance of stocks from around the world
**J.P. Morgan Developed Market High Yield Index (JPM Global High Yield)**—An index of developed market high yield bonds
**J.P. Morgan Investment Grade Index (ex Emerging Markets)**—An index of investment grade corporate bonds, excluding emerging markets
**J.P. Morgan Emerging Markets Bond Index**—An index of emerging market bonds

Our S&P targets and sector strategy assume a balanced outcome from the US general election on Nov 8th that maintains the current split in power. However, if Democrats keep the Presidency and take Senate or Republicans take the Presidency and keep Senate, it likely brings policy uncertainty and market volatility. Longer-term, it will be the policies and implementation that will influence markets, which both parties, many individuals and circumstances will craft. This note identifies sectors, industries and stocks that we think would be price sensitive to an unbalanced election outcome tilted toward one party.

### Dividing issues: Taxes, trade, favored infrastructure types and monetary policy

It's difficult to pin down specific policies from either candidate, but on several economic issues their general bias is clear. These issues include taxes, trade deals, favored types of infrastructure – such as green vs conventional energy, preference for monetary policy, and also their expressed views on industries such as Health Care and Energy. It is the gist of the candidate's preference on these issues that we used to identify sectors and stocks sensitive to a sweep.

### Big banks might outperform small banks and oil might go down on Rep sweep

While many of our conclusions align with conventional judgment, we think we differ in that we think a Rep sweep could: 1) be good for some domestic oil producers, as it should permit more drilling, but negative to the recovery in oil and gas prices, as more supply, and thus negative for the broad Energy sector, 2) bring somewhat faster Fed hikes and a stronger dollar than otherwise, 3) the first two could lead to lower inflation and a flatter yield curve than otherwise would be. One could argue that Trump sized tax cuts and an infrastructure and defense spending spree would steepen the curve, but we think this unlikely while Republicans control the House. If Fed hikes bring yield curve flattening then big banks and capital markets likely outperform small banks and insurance companies. Slow hikes that allow inflation to accelerate and steepen the curve might favor smaller banks and insurance, but this could pressure PEs at non-financials. If the Fed falls too far behind the curve, higher long-term rates could threaten the stock market, real estate and the overall economy.

### Equity strategy election themes: Party sweep better for investor confidence on

Taxes-R, Trade-D, Infrastructure-R/D, Faster Fed hikes-R, Higher inflation target-D, Steeper curve-D, stronger dollar-R, stock market-R/D, large caps-R, small caps-D, globally exposed S&P stocks-R, domestically exposed S&P-D, higher commodity prices-D, lighter regulations-R, foreign profit repatriation-R.

### Industry pair trades and ETF ideas for Democratic vs. Republican Sweep

1) Favor Health Care Services & Facilities over Drugs & Medical Devices

2) Favor Engineering & Construction over Defense stocks

3) Favor Small Banks & Life Insurance over Big Banks and Capital Mkts

4) Favor Energy majors over Oil Services and smaller domestic E&Ps

5) Favor Clean Energy & Social Media over Cheap Energy & Telco/Cable

6) Favor Metals & Mining over Chemicals & Construction Materials

Dem: IHF, GEX, XME, SOCL, IWM, KBE. Rep: XPH, IHI, XOP, IGF, ITA, IYZ, VGT, XLF

Clinton 15 stock basket (DBUSCLNT): UNH, HUM, MCK, ACM, PWR, XOM, AA, NEE, CREE, FSLR, FB, NFLX, PRU, C, UNP

Trump 15 stock basket (DBUSTRMP): JNJ, PFE, MDT, NOC, LLL, HAL, DOW, DUK, F, MLM, VZ, CMCSA, SCHW, WFC, DAL

David Bianco [redacted]
Ju Wang +1 [redacted]
Winnie Nip + [redacted]
Please visit our group webpage at
https://gm.db.com/welcome.html?/ger/analyst/Analyst.eqsr?analystID=39531

capital of both North and South Cyprus, remains today as the last divided city in Europe and the only divided capital in the world. However, the Cyprus problem has to change face and move on from this conundrum characterized by a relentlessly enduring state of conflict to an inspirational success story of peace. Time is ripe for such a change, especially in view of current dynamics that are molding together both on the island and in the region.

## Missed Opportunities

April 24, 2014 marked the 10th anniversary of the referenda held on the UN Comprehensive Settlement Plan (the Annan Plan) on both sides of the island. This was the first time in the history of Cyprus negotiations that a comprehensive settlement document, comprising 9,000 pages, was put to separate simultaneous referenda. The Turkish Cypriots accepted the plan with an overwhelming majority (65 percent), despite the great sacrifices it entailed for them. They did not only vote in favour of a solution, but also for moving beyond the traumatic past and building a common future within the EU through a new partnership with Greek Cypriots. Unfortunately, the Plan failed due to the resounding 'no' vote (76 percent) of the Greek Cypriots. Nevertheless, the Turkish Cypriot aspiration for a solution has prevailed even in the face of deep frustration ensuing the Greek Cypriot rejection of the Annan Plan and the continued isolation imposed on Turkish Cypriots in all aspects of life. The fact that they have been left out in the cold, while the Greek Cypriot side has unilaterally become a member of the EU, did not change the Turkish Cypriots' resolve for settlement. Yet, it further complicated the prospects of reconciliation on the island.

## Thriving Opportunities from Within

Against this background, the Turkish Cypriot side has intensified its endeavors to overcome this crisis of confidence and engaged sincerely with the Greek Cypriot side for the preparation of the ground for a new dialogue. Subsequently, the two sides were able to initiate a series of agreements in early 2008, which paved the way for the resumption of full-fledged negotiations after a four-year stalemate. Since then, intermittent

one form or another since antiquity. Moreover, the now-fallen dictators promoted a venal system of corruption built on personal access to their own ruling circles. And Mubarak, rather than move society forward by dispensing with a pseudomonarchical state, sought to move it backward by installing his son in power. Mubarak and Ben Ali were dull men, enabled by goons in the security services. The real story in the Middle East these past few months, beyond the toppling of these decrepit regimes, is the possible emergence of authentic constitutional monarchies in places like Morocco and Oman. Both of these countries, which lie at the two geographical extremities of the Arab world, have not been immune to demonstrations. But the protesters in both cases have explicitly called for reform and democracy within the royal system and have supported the leaders themselves. King Mohammed and Sultan Qaboos have moved vigorously to get out in front of popular demands by reforming their systems instead of merely firing their cabinets. Indeed, over the years, they have championed women's rights, the environment, the large-scale building of schools and other progressive causes. Qaboos, in particular, is sort of a Renaissance man who plays the lute and loves Western classical music, and who—at least until the celebrations in 2010 marking forty years of his rule—eschewed a personality cult. The characteristics, then, of the benign dictator are evident, at times hewing to propositions set forth by the likes of Berlin: freedom may come as much from stability as from democracy; leaders must adhere to the will of the people, they need not in all cases be chosen by them. Yet in the Middle East these dictators remain the exception to the rule, and this is why quasi monarchies of the iron-fisted Assad or the crazed and tyrannical Qaddafi are now under assault. THE PLACE where benevolent autocracy has struck deep and has systematic roots is Asia. Any discussion of whether and how democracy can be successfully implemented might, because of the

Chuck Pfieffer plants a "Page Six" item and the next day socialites begin calling me to get into the film.

**Thursday, November 5, Shun Lee Restaurant, West 65th Street**

Oliver shoots a crowded tight interior scene with Michael, Carrie and Shia, who are having an intimate Chinese dinner. Spontaneously, Oliver decides this is the perfect scene for Graydon Carter. After a flurry of calls, Graydon arrives on set, and playing himself, sashays by the table. Gekko jumps up to say hello and Graydon brushes him off with a few dismissive lines.

**Monday, November 9, 25 Broadway**

One hundred swells show up at the former Canard Shipping building, a massive Italianate hall, at the crack of dawn for the Alzheimer's Ball, a grand charity event.

Susan Hess and I are chauffeured downtown with our Vera Wang gowns and report to the VIP extra holding area where we join Prince Dimitri of Yugoslavia in a bespoke dinner jacket, journalist Christopher Mason, songstress Yanna Avis, photographer Kelly Klein, art dealer Larry Gagosian's girl friend Shala Monroque in see-through Rodarte, beauty executive Olivia Chantecaille, producer Lawrence Robins, author Jackie Weld Drake, Vogue film critic Joan Juliet Buck, fashion consultant Jill Fairchild, CNN's Felicia Taylor and Italian newsman Mario Calvo-Platero.

Ellen Mirojnick and her costume department have assembled racks of the most expensive elaborate designer gowns and work at break neck speed styling while we wildly strip to our undies in a makeshift dressing area. Ellen pours me into a black tulle Marchesa with a enormous wired silver bow. Twenty hairdressers and make-up artists systematically work on 250 extras. A mile of tables are alternately filled with steaming coffee, fattening breakfast foods, hair sprays, mirrors, shoes and jewelry. It's a madhouse of excitement.

We are led to the part of the set used for the cocktail reception and placed around Michael Douglas and Charlie Sheen stand-ins. Charlie has been flown in from LA for half a day's work to reprise his original character. He is now the highest paid television actor commanding two million dollars an episode of "Two and a Half Men."

Oliver arrives on the set greeting, examining, tweaking the shot and always pulling the prettiest girls closest to the camera. Michael and Charlie arrive from their trailers and run their lines as socials drift into their sight lines challenging their concentration on pages of dialogue. Oliver yells, "Action" as the extras aggressively jockey for face time. Charlie is not having an easy day and they do take after take. My corporate husband Chuck Pfieffer has gotten his real girlfriend Lisa Crosby in the film and my marriage has become a threesome.

Sensing our concern of not making it onto the silver screen Oliver tells his first assistant director to seat a dinner table with Susan Hess, Jill Fairchild, Prince Dimitri, Chuck Pfieffer, Grace Meigher and Mario Calvo-Platero. He directs us to chat with each other turning left and right as the camera closely pans past our faces.

Elsewhere on the set are John Buffalo Mailer, as Shia's character's best friend, Austin Pendleton, 94-year-old Eli Wallach and Natalie Morales. Also in this film are: the magnificent Frank Langella, as Shia's boss, who throws himself in front of a train early in the film, Susan Sarandon as Shia's real-estate broker mother, Sylvia Miles, who reprises her hilarious cameo as another real-estate agent and Jean Pigozzi as an international banker.

Lunch is called at 4 p.m. and Michael Douglas takes seven heavily made-up and bejeweled women including

Saudi and Iran, powerhouses of Sunni and Shiite Islam respectively, presently support opposing sides in many of the Middle East's major confrontations, and are often seen as having radically divergent and competing visions for the future of the region.

Which is why, in Lebanon – a country where the two powers wield extensive influence over their respective allies – the news of a possible rapprochement has already sparked confidence that political deadlock on a number of key disputes may be resolved, perhaps even defying expectations of a presidential vacuum by ushering in a successor to President Michel Suleiman in time for the expiry of his term on 25 May.

"I [now] believe we will have an elected president on the 25th," said MP Ahmad Fatfat of the Saudi-supported Future Movement. "That [Prince Faisal's] invitation was public means they already agreed on many points under the table. That means the negotiations regarding the new president have already been done."

Beyond the elections, Fatfat added the talks would likely also yield wider benefits in terms of security and the economy. Earlier this week, Saudi lifted what has been described as an "unofficial ban" on its citizens traveling to Lebanon, fueling hopes of a boost to the country's struggling tourism industry. Saudi analysts concurred that the overall situation in Lebanon would likely improve in the near future.

"I think in Lebanon there is already agreement [between Saudi and Iran]," said Jamal Khashoggi, veteran Saudi journalist and former advisor to then-ambassador Prince Turki al-Faisal. "The agreement in Lebanon is to contain the situation."

In neighboring Syria, however, where Iranian-backed regime forces continue to suppress a Saudi-supported armed rebellion, Khashoggi expects very little to materialize from Saudi-Iranian talks.

"I'm not optimistic," he told NOW. "The Saudis and Iranians are still far apart. The Iranians must relinquish their expansionism toward the Mediterranean, or we have to give up Syria. And I don't think we can afford to give up Syria. And besides, even if we decide to give up Syria, the Syrian people are not going to give up Syria."

America. We have a group in this country that likes to will outcomes, and their track record demonstrates that that doesn't work so well (unless you think, apropos Iraq, that eight years and more than 100,000 lives later defines "well"). Obama has been more in the mold of George H.W. Bush and his secretary of state, Jim Baker, when the Eastern bloc was throwing off Moscow's shackles. Offer encouragement and stability, give a few speeches about freedom, but otherwise let them do their own work. Obama took a lot of stick for not being more forceful on Egypt in February, but he was right to be cautious—there were lots of stakeholders involved, and sorry, but the president of the United States just can't say every sweet thing romantics would like him to say. He then, as noted, took heat for moving too slowly on Libya, but here again he was correct. The nature of the Libyan regime is not a direct national-security issue, so there absolutely had to be a specific trigger to justify acting. That trigger was Gaddafi's threatened assault on Benghazi. That was completely the right thing to do. It was as textbook a fulfillment of "R2P," or "responsibility to protect," as one could imagine. The subsequent bombing campaign took longer than advertised, but it has apparently done the job, quickly and with far smaller loss of life (including zero U.S. deaths) than if we'd followed John McCain and Lindsey Graham's advice and gone in with ground troops. One of the best things an American administration can do when big changes are afoot somewhere in the world is stay out of the way and not act as if we can will an outcome just because we're America. Next comes Syria. Conservatives are pushing Obama to take stronger steps. Maybe he should. I argued back in the spring, before Obama imposed sanctions on Assad, that he needed to be more forceful. But now he has imposed those sanctions and said Assad should step down. Doing much more seems dubious. Bashar al-Assad will go. It's a matter of when. Better to let it play out. If a true R2P situation arises, then

are good and bad popularly elected leaders, there are good and bad autocrats. THE SIGNAL fact of the Arab world at the beginning of this year of democratic revolution was that, for the most part, it encompassed few of these subtleties and apparent contradictions. Middle Eastern societies had long since moved beyond basic needs of food and security to the point where individual freedom could easily be contemplated. After all, over the past half century, Arabs from the Maghreb to the Persian Gulf experienced epochal social, economic, technological and demographic transformation: it was only the politics that lagged behind. And while good autocrats there were, the reigning model was sterile and decadent national-security regimes, deeply corrupt and with sultanic tendencies. These leaders sought to perpetuate their rule through offspring: sons who had not risen through the military or other bureaucracies, and thus had no legitimacy. Marcus Aurelius was one thing; Tunisia's Zine el-Abidine Ben Ali, Egypt's Hosni Mubarak and Syria's Bashar al-Assad, quite another. Certainly, the Arab Spring has proved much: that there is no otherness to Arab civilization, that Arabs yearn for universal values just as members of other societies do. But as to difficult questions regarding the evolution of political order and democracy, it has in actuality proved very little. To wit, no good autocrats were overthrown. The regimes that have fallen so far had few saving graces in any larger moral or philosophical sense, and the wonder is how they lasted as long as they did, even as their tumultuous demise was sudden and unexpected. Yet, the issues about which Mill and Berlin cared so passionately must still be addressed. For in some places in the Arab world, and particularly in Asia, there have been autocrats who can, in fact, be spoken of in the same breath as Marcus Aurelius. So at what point is it right or practical to oust these rulers? It is quite possible to force through political change, which leads, contrary to aims, into a more deeply

- In October, Arizona State denied a request from BuzzFeed News for documents relating to complaints of sexual harassment against you. However, Cynthia Jewett, the university's senior associate general counsel, noted that **two** individuals, neither affiliated with the university, had complained about you. "The University did not find either communication to state a credible allegation," Jewett wrote.

Miscellaneous facts:

- In 2008, you founded the Origins Project at Arizona State University in Tempe, a multidisciplinary effort to understand the origins of the universe, life, and social systems. You have led that effort ever since.
- Thanks to best-selling books like *The Physics of Star Trek* and *A Universe From Nothing*, frequent essays in publications including the New Yorker and the New York Times, and the documentary you made with biologist Richard Dawkins, called *The Unbelievers*, you are celebrated as one of America's leading public intellectuals.
- You served on the science policy committee for Barack Obama's 2008 presidential campaign and are a vocal critic of President Donald Trump.
- You also make regular public appearances across the world, often at gatherings of skeptics and atheists.
- At CSICon in Las Vegas in October, a few dozen fans paid $500 per head to attend a VIP luncheon with you and Dawkins.
- Many more lined up to get you to sign their copy of your latest book, *The Greatest Story Ever Told — So Far*.
- Online, people can buy T-shirts emblazoned "Lawrence Krauss for President."
- In talks and interviews, you have argued that our universe arose without divine intervention, that religion drives xenophobia, and that our brains are hardwired to believe.
- You have stated that science provides answers to many of life's biggest questions, and can even fix great societal injustices.
- Earlier this year, at a Q&A event to promote your new book, the conversation came around to the dearth of women and minorities in science. "Science itself overcomes misogyny and prejudice and bias," you said. "It's built in: Questioning yourself, always questioning results, questioning others, relying on empirical evidence."
- You have clashed with some skeptics over your defense of Jeffrey Epstein, a billionaire financier who in 2008 was convicted for soliciting prostitution from underage girls, and spent 13 months in a Florida jail.
- Through his private foundation, Epstein has funded the work of several prominent scientists. He has provided funding for your Origins Project, supporting lectureship and scholarship programs, most recently pledging $100,000 in 2014.
- In April 2011, you told the Daily Beast: "As a scientist I always judge things on empirical evidence and he always has women ages 19 to 23 around him, but I've never seen anything else, so as a scientist, my presumption is that whatever the problems were I would believe him over other people."
- In a blog comment about the Epstein controversy, you wrote: "I remain skeptical, and I support a man whose character I believe I know...If you want to condemn me for that, so be it."
- You were made an honorary member of CFI's board of directors in December 2011.
- A blog post published in August 2013 described incidents #1 and #4, naming you. Another post, published at around the same time, described incident #5.
- The first post was edited to remove your name after you had commented that the allegations of assault were "potentially illegal." The second post was quickly taken down.

Again, if you wish to comment on or clarify any of these points, please get in touch with us as soon as possible. If I do not respond immediately it is because I am on another call, so please leave the best phone number to reach you.

Americans are better placed to answer that question than Kissinger, who has dealt with four generations of Chinese leaders.
The most profound insights of On China are psychological. They concern the fundamental cultural differences between a Chinese elite who can look back more than two millennia for inspiration and an American elite whose historical frame of reference is little more than two centuries old. This became most obvious in the wake of June 1989, when Americans recoiled from the use of military force to end the Tiananmen Square pro-democracy demonstrations. To Kissinger's eyes, it was doubly naive to retaliate to this crackdown with sanctions: "Western concepts of human rights and individual liberties may not be directly translatable … to a civilization for millennia ordered around different concepts. Nor can the traditional Chinese fear of political chaos be dismissed as an anachronistic irrelevancy needing only 'correction' by Western enlightenment." As China's first Anglophone leader, Jiang Zemin, explained to Kissinger in 1991: "We never submit to pressure … It is a philosophical principle." The United States and China went to war in Korea because of another cultural gap. It came as a surprise to the Americans when Mao ordered Chinese intervention because the military odds looked so unfavorable. But, argues Kissinger, his "motivating force was less to inflict a decisive military first blow than to change the psychological balance, not so much to defeat the enemy as to alter his calculus of risks." Mao was a master of the ancient Empty City Stratagem, which seeks to conceal weakness with a show of confidence, even aggression. To Westerners, his insistence that he did not fear a nuclear attack seemed unhinged or, at best, callous ("We may lose more than 300 million people. So what? War is war. The years will pass, and we'll get to work producing more babies than ever before"). But this was classical Chinese bravado, or "offensive deterrence." "Chinese negotiators," observes Kissinger

priorities, such as political and economic reforms. Israel has long branded the Arab world as tribal and undemocratic, in order to brand itself the only democracy in the Middle East. Well, soon enough it won't be. Many of its neighbors will soon join the democratic world as demands for democracy grow. Democracy will mean more development, prosperity and people's power. It means more popular participation in decision making and awareness of the possibilities of the nation and what it can and cannot do. It may not mean more hostility toward Israel if the latter knows how to deal with it. But there will be tension if Israel continues to follow extreme policies, which it will under the current leadership of Benjamin Netanyahu. The Palestinians must achieve their right to establish their own state on their land. This right has been recognized by almost everyone except a minority of extremists in Israel, led by Netanyahu. Free and democratic Arab countries won't shrink from supporting this Palestinian right under any circumstances. Muslims will not give up on East Jerusalem, either. Arab regimes have been weak in the past. Democracy will strengthen them, but also add reason to Arab governance. Most Arabs have accepted Israel's right to exist, and accepted U.N. resolutions 242 and 338, but Israeli intransigence is not helping them formulate a unified position.

Democratic Egypt won't be a threat to Israel as the Egyptian military, which will continue to be highly influential in Egypt's politics in the foreseeable future, will not risk another war with Israel. Egyptians under a democratic regime will be seeking better living standards, better laws to govern the country and more rights as citizens. They won't be pressing their government to fight Israel; on the contrary, they want a stable economy where things will be better for future generations. But Israel may aggravate the situation by electing extremists and following extreme policies. This will strengthen the hands of the hawks in the Arab world. Moderate Israel under

primary sea lane to India. As such, Gibraltar and the Suez were crucial. The importance of the Suez was such that the presence of a hostile, major naval force in the eastern Mediterranean represented a direct threat to British interests. It followed that defeating the Ottoman Empire during World War I and breaking its residual naval power was critical. The British, as was shown at Gallipoli, lacked the resources to break the Ottoman Empire by main force. They resorted to a series of alliances with local forces to undermine the Ottomans. One was an alliance with Bedouin tribes in the Arabian Peninsula; others involved covert agreements with anti-Turkish, Arab interests from the Levant to the Persian Gulf. A third, minor thrust was aligning with Jewish interests globally, particularly those interested in the refounding of Israel. Britain had little interest in this goal, but saw such discussions as part of the process of destabilizing the Ottomans. The strategy worked. Under an agreement with France, the Ottoman province of Syria was divided into two parts on a line roughly running east-west between the sea and Mount Hermon. The northern part was given to France and divided into Lebanon and a rump Syria entity. The southern part was given to Britain and was called Palestine, after the Ottoman administrative district Filistina. Given the complex politics of the Arabian Peninsula, the British had to find a home for a group of Hashemites, which they located on the east bank of the Jordan River and designated, for want of a better name, the Trans-Jordan — the other side of the Jordan. Palestine looked very much like traditional Israel.

The ideological foundations of Zionism are not our concern here, nor are the pre- and post-World War II migrations of Jews, although those are certainly critical. What is important for purposes of this analysis are two things: First, the British emerged economically and militarily crippled from World War II and unable to retain their global empire, Palestine included. Second, the two global powers that

Nixon's official visit (the Shanghai Communiqué). The result was, as he puts it, "a quasi alliance," which, though initially intended to contain the Soviet Union, ended up outliving the Cold War.

In this telling, however, Kissinger is able to take advantage of recent research that illuminates the Chinese side of the story. The American opening to China was also a Chinese opening to America, actuated above all by Mao Zedong's fear of encirclement. "Think about this," Mao told his doctor in 1969. "We have the Soviet Union to the north and the west, India to the south, and Japan to the east. If all our enemies were to unite, attacking us from the north, south, east, and west, what do you think we should do?" The medic had no idea. "Think again," said Mao. "Beyond Japan is the United States. Didn't our ancestors counsel negotiating with faraway countries while fighting with those that are near?" It was to explore the American option that Mao recalled four Army marshals from exile. Skirmishes were already underway between Soviet and Chinese forces on the Ussuri River. In October 1970 Mao ordered China's top leadership to evacuate Beijing and put the People's Liberation Army on "first-degree combat readiness." The stakes for China were high indeed—higher than for the United States. As Kissinger shows, it was far from unusual for Mao to refer to "our ancestors' counsel." Despite his lifelong commitment to Marxism-Leninism, Mao was also steeped in the classics of Chinese civilization, as were his close advisers. "We can consult the example of Zhuge Liang's strategic guiding principle," Marshal Ye Jian-ying suggested, "when the three states of Wei, Shu, and Wu confronted each other: 'Ally with Wu in the east to oppose Wei in the north.' " The allusion, Kissinger explains, is to Romance of the Three Kingdoms, a 14th-century epic novel set in the so-called Warring States period (475–221 B.C.).

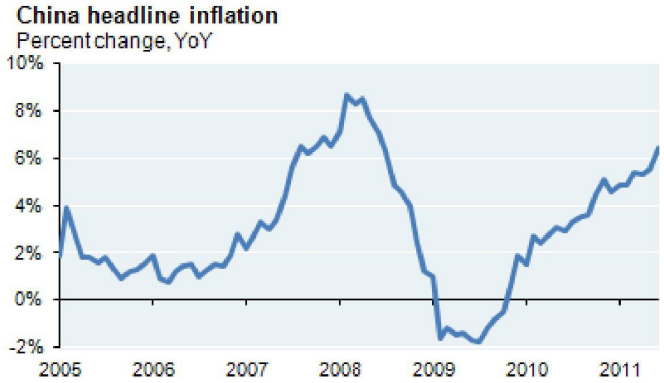
Nor was this the only occasion when China's communist leaders looked to the distant past for inspiration. Of equal importance to

**Topics: Portfolios, US corporate profits and the Twilight of the Gods (in the US, Europe, China and the IEA)**

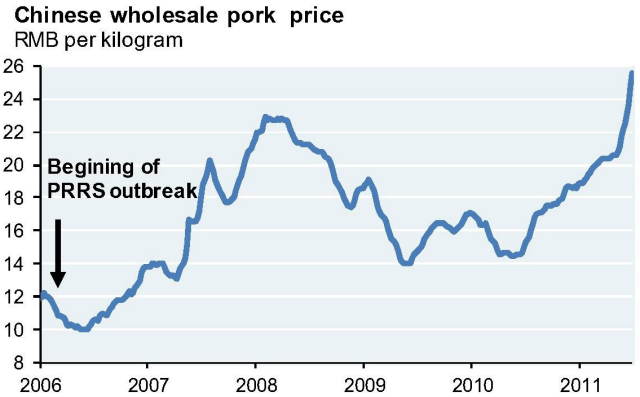
**Twilight of the Gods part 3: Why is everyone assuming that the next Chinese tightening is the last one?**

Every time China tightened monetary policy this year, most China research maintained that the tightening cycle is close to its end. Perhaps; Premier Wen has stated that the country's efforts to control inflation have worked, that price stability is in an acceptable range, and that it will drop steadily from here. But last week's headline inflation release of 6.4% hit a three year high, and it is not clear to us that China is about to end its various inflation control policy measures.

In favor of Wen's argument, food inflation has been a large contributor, some of which should be transitory. Blue-ear pig virus (PRRS) killed hundreds of thousands of pigs in 2010, which affected this year's supply (2006 was worse). As shown below, pork prices have soared, but *should* come down if the supply situation normalizes. [*Note: a "Strategic Pork Reserve" can be released to mitigate price increases*]. However, according to the Food and Agriculture Organization[5], new virulent strains of the virus have a fatality rate of 20% (even higher for piglets), and **what is considered a temporary supply shock may be more permanent.** Chinese pig facilities have the highest animal densities in the world, contributing to the spread of disease to 25 of China's 33 provinces. Antibiotics have proven ineffective, and once one pig gets the disease, it tends to spread to the entire herd in 7-10 days. China has vaccinated 100 million of its 500 million pigs, but existing vaccines do not prevent infection, they only slow the rate of transmission to other pigs.

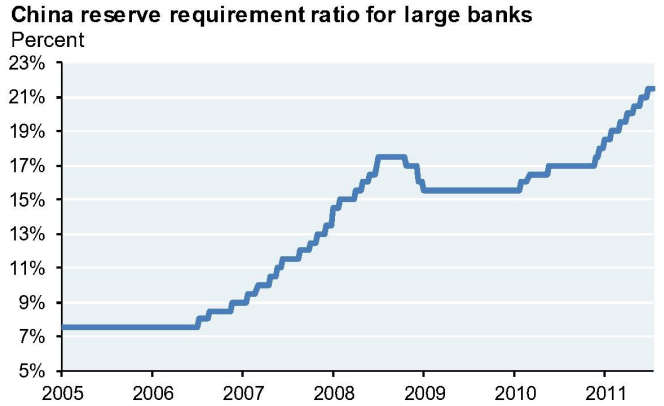


Source: National Bureau of Statistics of China.

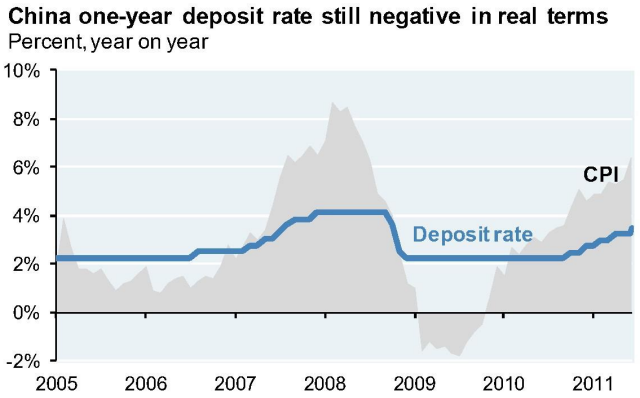


Source: China Ministry of Commerce.

A separate issue is that China is doing a lot more to control the ***supply*** of money than the ***cost*** of money. As shown below, there have been a lot more increases in bank reserve requirements than interest rate increases. Deposit rates are still negative in real terms, and bank reserve requirements only affect banks, and not the shadow banking system, which is growing in China.



Source: People's Bank of China.



Source: People's Bank of China, National Bureau of Statistics.

Forward-looking manufacturing surveys have declined and interbank lending rates (Shibor) have surged, so it's clear that the tightening steps are working. But private sector credit is still growing in China, and real estate prices are still rising. **The bottom line is that the substantial stimulus provided by Chinese and other Asian policymakers in the wake of the recession has not yet been adequately withdrawn, and that more steps will need to be taken to do so.**

[5] "*Porcine reproductive and respiratory syndrome (PRRS) virulence jumps and persistent circulation in Southeast Asia*", Food and Agriculture Organization Emergency Prevention System, Issue number 5, 2011.



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that Atheism is false, and tends to the dissolution of society, than Marcus Aurelius believed the same things of Christianity."
If even such a ruler as Marcus Aurelius could be so monumentally wrong, then no dictator, it would seem, no matter how benevolent, could ever ultimately be trusted in his judgment. It follows, therefore, that the persecution of an idea or ideals for the sake of the existing order can rarely be justified, since the existing order is itself suspect. And, pace Mill, if we can never know for certain if authority is in the right, even as anarchy must be averted, the only recourse for society is to be able to choose and regularly replace its forever-imperfect leaders. But there is a catch. As Mill admits earlier in his essay, Liberty, as a principle, has no application to any state of things anterior to the time when mankind have become capable of being improved by free and equal discussion. Until then, there is nothing . . . but implicit obedience to an Akbar or a Charlemagne, if they are so fortunate as to find one. Indeed, Mill knows that authority has first to be created before we can go about limiting it. For without authority, however dictatorial, there is a fearful void, as we all know too well from Iraq in 2006 and 2007. In fact, no greater proponent of individual liberty than Isaiah Berlin himself observes in his introduction to Four Essays on Liberty that, "Men who live in conditions where there is not sufficient food, warmth, shelter, and the minimum degree of security can scarcely be expected to concern themselves with freedom of contract or of the press." In "Two Concepts of Liberty," Berlin allows that "First things come first: there are situations . . . in which boots are superior to the works of Shakespeare, individual freedom is not everyone's primary need." Further complicating matters, Berlin notes that "there is no necessary connection between individual liberty and democratic rule." There might be a despot "who leaves his subjects a wide area of liberty" but cares "little for order, or virtue, or knowledge." Clearly, just as there

the existence of any particular responsive documents. *See United States v. Doe*, 465 U.S. 605, 613 n.12 (1984) ("The most plausible inference to be drawn from the broad-sweeping subpoenas is that the Government [is] unable to prove that the subpoenaed documents exist . . . .").

The first demand for a list of all meetings with any Russian official (or "representative of Russian business interests") over 18 months fails for want of specifying particular individuals, locations, or dates. Moreover, this is not merely a demand to produce existing documents. It is actually an interrogatory demanding that General Flynn create a new document containing information that the Committee seeks to discover. This is a demand for direct testimony, not merely a testimonial act of production. As in *Hubbell*, General Flynn's compilation of such a list would be akin to him "answering a series of interrogatories asking [him] to disclose the existence and location of [meetings] fitting certain broad descriptions." *Hubbell*, 530 U.S. at 41. The Court in *Hubbell* held that the witness could not be compelled to prepare such a list without violating his Fifth Amendment privilege. Finally, the nebulous term "representative of Russian business interests" necessarily would require General Flynn, in responding to the request, to testify as to who is or is not a "representative of Russian business interests." This too constitutes direct testimony that is clearly covered by the Fifth Amendment privilege.

The subpoena's second and third demands are even broader in scope than the first, given their request for *all* communication records with *any* Russian official. The complete lack of specificity in the request makes clear that, unlike in *Fisher*, the existence of any document responsive to the Committee's request is far from a "foregone conclusion." *Fisher*, 425 U.S. at 411. The fact that the subpoena also demands all documents in the custody, control or possession of General Flynn's "agents, employees, or representatives" underscores that the Committee does not know whether responsive documents exist, who may possess them, or where they are located. Were General Flynn to provide responsive documents, he would be providing compelled testimony about "the documents' existence, custody, and authenticity." *Hubbell*, 530 U.S. at 28. This is precisely the sort of testimonial information that the Fifth Amendment privilege is designed to protect from compelled disclosure. *See In re Grand Jury Subpoena, Dated Apr. 18, 2003*, 383 F.3d 905, 911 (9th Cir. 2004) (finding an act of production to be testimonial in nature where a "subpoena seeks all documents within a category but fails to describe those documents with any specificity . . . .").

The Committee must demonstrate more than general knowledge that a meeting may have occurred; the Committee must demonstrate "knowledge of the existence and possession of the *actual documents*" in order to prove that the existence and location of the documents is a "foregone conclusion." *Id.* at 910 (emphasis added). The Committee simply has not met its burden of showing its "pre-subpoena knowledge of the existence, possession, and authenticity of the subpoenaed documents with reasonable particularity." *Ponds*, 454 F.3d at 324.

All nations have ideological divisions, but the Palestinians are divided over the fundamental question of the Palestinian nation's identity. Fatah sees itself as part of a secular Arab world that is on the defensive. Hamas envisions the Palestinian nation as an Islamic state forming in the context of a region-wide Islamist rising. Neither is in a position to speak authoritatively for the Palestinian people, and the things that divide them cut to the heart of the nation. As important, each has a different view of its future relations with Israel. Fatah has accepted, in practice, the idea of Israel's permanence as a state and the need of the Palestinians to accommodate themselves to the reality. Hamas has rejected it.

The U.N. decision raises the stakes in this debate within the Palestinian nation that could lead to intense conflict. As vicious as the battle between Hamas and Fatah has been, an uneasy truce has existed over recent years. Now, there could emerge an internationally legitimized state, and control of that state will matter more than ever before. Whoever controls the state defines what the Palestinians are, and it becomes increasingly difficult to suspend the argument for a temporary truce. Rather than settling anything, or putting Israel on the defensive, the vote will compel a Palestinian crisis.

Fatah has an advantage in any vote on Palestinian statehood: It enjoys far more international support than Hamas does. Europeans and Americans see it as friendly to their interests and less hostile to Israel. The Saudis and others may distrust Fatah from past conflicts, but in the end they fear radical Islamists and Iran and so require American support at a time when the Americans have tired of playing in what some Americans call the "sandbox." However reluctantly, while aiding Hamas, the Saudis are more comfortable with Fatah. And of course, the embattled Arabist regimes, whatever tactical shifts there may have been, spring from the same soil as Fatah. While Fatah is the preferred Palestinian partner for many, Hamas can also use that

Would you like to comment on the following:

1. You've said that the women pressing suits against Mr. Epstein "have lied repeatedly, and in no way shape or form were they victims. They were at his place freely and voluntarily. And one of them showed Epstein a fake ID." What do you have to say now that Mr. Epstein has admitted in his federal plea bargain that he did conspire to entice minors to engage in prostitution? Accepting that these women came voluntarily, isn't Mr Epstein still guilty of statutory rape?

2. Brad Edwards, an attorney who represents three of the women, recently served a Subpoena to Testify at a Deposition on Epstein's former girlfriend, Ghislaine Maxwell. The Subpoena asks that Maxwell produce "a list of all girls" that visited Jeffrey Epstein's homes in Palm Beach and Manhattan, or flew on his planes. Edwards said in an interview that Maxwell was "second-in-command of Epstein's criminal enterprise." He added, "She was on Epstein's plane, transporting girls for the purpose of having sex with other people. She kept a computer database of hundreds of girls and oversaw the schedule of girls who came to Epstein's homes."

3. A suit filed last May by "Jane Doe 102" against Epstein alleges that, after recruiting her as a 15-year-old girl to give Epstein massages, Maxwell and Epstein took part in "sexually assaulting, battering, exploiting, and abusing Plaintiff."

4. The same suit alleges that Epstein "lured" the girl "every day for next two weeks" to his house. The suit claims that she eventually became a "sex slave" to Epstein, traveling with him around the world. "In all of these locations, she was required to engage in sex acts with him and other women - including other minors."

5. Did Jane Doe 102 – who now lives in Australia – go on the 2002 trip where President Clinton flew on Mr. Epstein's Boeing 727?

6. "Most of these acts of abuse occurred during a time when defendant [Jane Doe 102] knew that the plaintiff was approximately 15, 16 and 17 years old and, after years of daily sexual exploitation continued into her adulthood ... until she fled at age 19,"

7. When Maxwell and Epstein celebrated Jane Doe 102's 16th birthday with her, Epstein joked that he would have to "trade her in" because she was getting too old for him.

8. Not only was Jane Doe 102 required to satisfy Epstein's "every sexual whim," but she also was exploited by Epstein's adult male peers. They included "royalty, politicians, academicians, businessmen and others in various locations around the world."

9. The Palm Beach Post and lawyers representing Epstein's alleged victims have called his federal non-prosecution agreement a "secret," "backroom," "sweetheart" deal, noting that none of his alleged victims was consulted. Several critics have claimed Epstein "bought" the agreement, using politically-connected lawyers. Would he like to comment?

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5. Did Jane Doe 102 – who now lives in Australia – go on the 2002 trip where President Clinton flew on Mr. Epstein's Boeing 727?

6. "Most of these acts of abuse occurred during a time when defendant [Jane Doe 102] knew that the plaintiff was approximately 15, 16 and 17 years old and, after years of daily sexual exploitation continued into her adulthood ... until she fled at age 19,"

7. When Maxwell and Epstein celebrated Jane Doe 102's 16th birthday with her, Epstein joked that he would have to "trade her in" because she was getting too old for him.

8. Not only was Jane Doe 102 required to satisfy Epstein's "every sexual whim," but she also was exploited by Epstein's adult male peers. They included "royalty, politicians, academicians, businessmen and others in various locations around the world."

9. The Palm Beach Post and lawyers representing Epstein's alleged victims have called his federal non-prosecution agreement a "secret," "backroom," "sweetheart" deal, noting that none of his alleged victims was consulted. Several critics have claimed Epstein "bought" the agreement, using politically-connected lawyers. Would he like to comment?

Would you like to comment on the following:

1. You've said that the women pressing suits against Mr. Epstein "have lied repeatedly, and in no way shape or form were they victims. They were at his place freely and voluntarily. And one of them showed Epstein a fake ID." What do you have to say now that Mr. Epstein has admitted in his federal plea bargain that he did conspire to entice minors to engage in prostitution? Accepting that these women came voluntarily, isn't Mr Epstein still guilty of statutory rape?

2. Brad Edwards, an attorney who represents three of the women, recently served a Subpoena to Testify at a Deposition on Epstein's former girlfriend, Ghislaine Maxwell. The Subpoena asks that Maxwell produce "a list of all girls" that visited Jeffrey Epstein's homes in Palm Beach and Manhattan, or flew on his planes. Edwards said in an interview that Maxwell was "second-in-command of Epstein's criminal enterprise." He added, "She was on Epstein's plane, transporting girls for the purpose of having sex with other people. She kept a computer database of hundreds of girls and oversaw the schedule of girls who came to Epstein's homes."

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The eastern approaches are similarly secured by desert, which begins about 20 to 30 miles east of the Jordan River. While indigenous forces exist in the borderland east of the Jordan, they lack the numbers to be able to penetrate decisively west of the Jordan. Indeed, the normal model is that, so long as Israel controls Judea and Samaria (the modern-day West Bank), then the East Bank of the Jordan River is under the political and sometimes military domination of Israel — sometimes directly through settlement, sometimes indirectly through political influence, or economic or security leverage.

Israel's vulnerability is in the north. There is no natural buffer between Phoenicia and its successor entities (today's Lebanon) to the direct north. The best defense line for Israel in the north is the Litani River, but this is not an insurmountable boundary under any circumstance. However, the area along the coast north of Israel does not present a serious threat. The coastal area prospers through trade in the Mediterranean basin. It is oriented toward the sea and to the trade routes to the east, not to the south. If it does anything, this area protects those trade routes and has no appetite for a conflict that might disrupt trade. It stays out of Israel's way, for the most part. Moreover, as a commercial area, this region is generally wealthy, a factor that increases predators around it and social conflict within. It is an area prone to instability. Israel frequently tries to extend its influence northward for commercial reasons, as one of the predators, and this can entangle Israel in its regional politics. But barring this self-induced problem, the threat to Israel from the north is minimal, despite the absence of natural boundaries and the large population. On occasion, there is spillover of conflicts from the north, but not to a degree that might threaten regime survival in Israel.

The neighbor that is always a threat lies to the northeast. Syria — or, more precisely, the area governed by Damascus at any time — is populous and frequently has no direct outlet to the sea. It is,

based societies see not oppression in reasonably exercised authority but respect; they see lack of political power not as subjugation but as order. Of course, this is provided we are talking about a Deng or a Lee and not a Pol Pot.

To be sure, Asian autocracies are not summarily successful. Elsewhere, political Confucianism is messier. In Malaysia, Mahathir bin Mohamad lifted his people out of abject poverty and easygoing cronyism to mold another high-tech, first-world miracle; but he lacks virtue because of the tactics he employed as methods of control: vicious campaigns against human-rights activists and intimidation of political opponents, which included character assassination. The Vietnamese Communist leadership has lately overseen dynamic economic growth, with, again, the acceleration of personal freedoms, even as corruption and inequalities remain rampant. Think for a moment of Vietnam, a society that has gone from rationing books to enjoying one of the largest rice surpluses in the world in a quarter of a century. It recently graduated in statistical terms to a middle-income country with a per capita GDP of $1,100. Instead of a single personality with his picture on billboards to hate, as has been the case in Egypt, Syria and other Arab countries, there is a faceless triumvirate of leaders—the party chairman, the state president and the prime minister—that has delivered an average of 9 percent growth in GDP annually over the past decade. Nevertheless, Vietnam's rulers remain fearful of public displays of dissatisfaction spread across the Internet. And there is China: continental in size, it produces vastly different local conditions with which a central authority must grapple. Such grappling puts pressure on a regime to grant more rights to its far-flung subjects; or, that being resisted, to become by degrees more authoritarian. So terrified is its regime of its own version of an Arab Spring that it has gone to absurd lengths to block social media and politically provocative areas of the Web.

peace with all four neighboring Arab states. And it can be argued now that Assad may see negotiations with Israel as a way to climb back from the pariah status he is earning, making him at this juncture truly open to a new peace process.

Such thinking, whether in Jerusalem or the White House, is foolish and even grotesque. There is no possibility that Assad would negotiate seriously and that an agreement could be attained. He is now clinging desperately to power, and his only true allies are Iran and Hezbollah. Yet Israel's (and, one hopes, our own) key precondition to any agreement would necessarily be a clean break in those relationships: an end to the Syrian alliance with Hezbollah and Iran. Otherwise Israel would be giving the Golan, in effect, to Iran—a suicidal act. No Israeli government would do it, which suggests that negotiations with Assad would have no purpose.

Assad may indeed be open to commencing a negotiation as a means to escape international isolation, but that's all the more reason not to give it to him. Prime Minister Ehud Olmert's 2008 talks with Syria (via Turkey) allowed Syria to escape the partial isolation the United States had imposed on it in that decade, with zero gain for Israel. This is not an experiment worth repeating, for the Assad regime is today even more despicable than it was three years ago.

To react to the murders now taking place all over Syria by embracing the Assad regime would be morally indefensible. Whether Assad can be overthrown soon by the people of Syria is a fair question to ask. Will the army stay with him, or will Sunni units rebel? Will the Sunni business elites turn against him? How long can the regime survive? We do not yet know the answers. But surely we must avoid any step that could help Assad, rehabilitate his regime, or undermine the courageous struggle of peaceful demonstrators in the streets of Syria.

The peace agreements that Israel signed with Egypt and Jordan were real achievements, but there will be no such agreements with the

current headlines, begin with the Arab world, but the answers such as there are will, nevertheless, ultimately come in from the East. It is in those Asian lands that conventional Western philosophical precepts are challenged. The ideology by which Asian autocrats stand in opposition to the likes of Mill and Berlin falls—to some extent—under the rubric of Confucianism. Confucianism is more a sensibility than a political doctrine. It stresses traditional authority, particularly that of the family, as the sine qua non of political tranquility. The well-being of the community takes precedence over that of the individual. Morality is inseparable from one's social obligation to the kin group and the powers that be. The Western—and particularly the American—tendency is to be suspicious of power and central authority; whereas the Asian tendency is to worry about disorder. Thus, it is in Asia, much more so than in the Middle East, where autocracy can give the Western notion of freedom a good run for its money. The fact that even a chaotic democracy is better than the rule of a Mubarak or a Ben Ali proves nothing. But is a chaotic democracy better than the rule of autocrats who have overseen GDP growth rates of 10 percent annually over the past three decades? It is in places like China, Singapore, Malaysia and Vietnam where good dictators have produced economic miracles. These in turn have led to the creation of wide-ranging personal freedoms, even as these leaders have compelled people against their will on a grand scale. Here the debate gets interesting.

Indeed, probably one of the most morally vexing realizations in the field of international politics is that Deng Xiaoping, by dramatically raising the living standard of hundreds of millions of Chinese in such a comparatively short space of time—which, likewise, led to an unforeseen explosion in personal freedoms across China—was, despite the atrocity of Tiananmen Square that he helped perpetrate, one of the great men of the twentieth century. Deng's successors,

## The great rotation

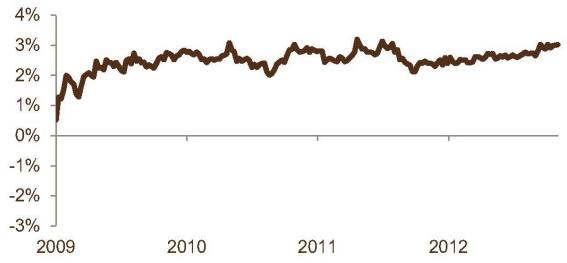
There is an awful lot being written about the next bursting bubble, which, according to pundits, is fixed income. The fear is either that inflation very quickly begins to reaccelerate because of monetary policy and central banks will need to aggressively slam on the policy brakes, or that investors are going to begin a Great Rotation out of fixed income.

The Great Rotation *scare* being talked about argues that individual investors will apparently all wake up one day and collectively sell their bonds to buy stocks. For individual investors, it's very unlikely that we will see selling of core bonds until investors actually lose money—and we don't expect that to happen soon. **In our portfolios next year, we envision owning more world equity markets, and owning less cash and short-duration fixed income.** So I agree with the risk rotation, but a mad dash by individual investors out of fixed income seems unnecessary and unlikely.

The balancing act for central banks is to try to stimulate growth without provoking inflation. There is enough excess capacity in labor markets that the greater policy concern remains disinflationary pressure. **While we are keeping a close eye on inflation expectations, which have been rising, our economics team continues to believe inflation comes after growth and therefore isn't a threat to this cycle of easy monetary policy.** We expect the Fed, European Central Bank and Bank of Japan will continue to promote "easy money."

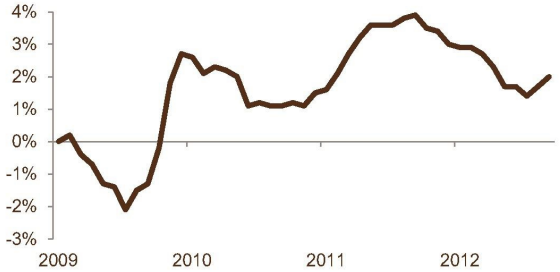
There is going to be an inflation shock that will come with accelerating growth—we just don't see it next year. But in preparation for that scenario, our team has already begun to do work on the theme of inflation protection.

**Inflation expectations remain stable**
5Y5Y forward breakeven inflation




Source: Bloomberg. Data as of November 2012.

**U.S. inflation is not yet troubling**
U.S. CPI YoY NSA




Source: Bloomberg, Bureau of Labor Statistics.
Data as of November 2012.

## Now what?

We invest with a 12-month outlook, but also take advantage of short-term trading opportunities. But to borrow a phrase from my daughter, **patience is the key to joy.** Into year-end, markets face higher uncertainty and weaker activity. We are going to see more headlines, unfortunately with less real news. In the short term, both issues will extract a higher risk premia from risk assets, which should create some interesting opportunities.

**For where we believe the macro cycle is right now, we want to be increasing our allocation to equities as we look into 2013.** We continue to barbell those equity allocations between the United States, which continues to lead the global recovery, and emerging markets, where we see significant growth potential. While we have added to our exposure in Europe and continue to see scope for investment opportunity ahead, we don't feel it's a market that is gapping away from us.

We are also doing tactical work in our hedge fund allocations. **We are looking to be more directional in our risk taking next year, particularly looking at long/short and event-driven strategies. In fixed income, we continue to like credit, but need to be more selective.** We are looking at total and absolute return fixed income strategies that can be more nimble in how they invest duration. We expect to hold less short-duration and cash next year across portfolios.

As a last mention, for anyone looking for a timely read, I just finished William Silber's book about Paul Volcker. It is great context for how we got to where we are today and a reminder that while the past doesn't ever exactly repeat itself, it does rhyme. It's also a subtle reminder of why strong leadership and bipartisan counsel are essential for effectively navigating the road ahead.

I very much look forward to our ongoing investment dialogue with you.

Richard Madigan
November 2012



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role for the world's 1.2 billion Muslims — more than 1 billion of whom are Sunni — as the birthplace of Islam and home of the two holiest cities. Politically, its leaders enjoy broad domestic support, and a growing nationalism has knitted the historically tribal country more closely together. This is largely why widespread protests, much anticipated by Western media in March, never materialized. As the world's sole energy superpower and the de facto central banker of the global energy markets, Riyadh is the economic powerhouse of the Middle East, representing 25 percent of the combined gross domestic product of the Arab world. The kingdom has amassed more than $550 billion in foreign reserves and is spending more than $150 billion to improve infrastructure, public education, social services and health care. To counter the threats posed by Iran and transnational terrorist networks, the Saudi leadership is authorizing more than $100 billion of additional military spending to modernize ground forces, upgrade naval capabilities and more. The kingdom is doubling its number of high-quality combat aircraft and adding 60,000 security personnel to the Interior Ministry forces. Plans are underway to create a "Special Forces Command," based on the U.S. model, to unify the kingdom's various special forces if needed for rapid deployment abroad. Saudi Arabia has the will and the means to meet its expanded global responsibilities. In some issues, such as counterterrorism and efforts to fight money laundering, the Saudis will continue to be a strong U.S. partner. In areas in which Saudi national security or strategic interests are at stake, the kingdom will pursue its own agenda. With Iran working tirelessly to dominate the region, the Muslim Brotherhood rising in Egypt and unrest on nearly every border, there is simply too much at stake for the kingdom to rely on a security policy written in Washington, which has backfired more often than not and spread instability. The special relationship

and the Mediterranean. In the short period since the fall of the Soviet Union, this has been impossible. There has been no great power with the appetite and the will for such an adventure. But 15 years is not even a generation, and Israel must measure its history in centuries.

It is the nature of the international system to seek balance. The primary reality of the world today is the overwhelming power of the United States. The United States makes few demands on Israel that matter. However, it is the nature of things that the United States threatens the interests of other great powers who, individually weak, will try to form coalitions against it. Inevitably, such coalitions will arise. That will be the next point of danger for Israel.

In the event of a global rivalry, the United States might place onerous requirements on Israel. Alternatively, great powers might move into the Jordan River valley or ally with Syria, move into Lebanon or ally with Israel. The historical attraction of the eastern shore of the Mediterranean would focus the attention of such a power and lead to attempts to assert control over the Mediterranean or create a secure Middle Eastern empire. In either event, or some of the others discussed, it would create a circumstance in which Israel might face a Babylonian catastrophe or be forced into some variation of a Persian or Roman subjugation.

Israel's danger is not a Palestinian rising. Palestinian agitation is an irritant that Israel can manage so long as it does not undermine Israeli unity. Whether it is managed by domination or by granting the Palestinians a vassal state matters little. Nor can Israel be threatened by its neighbors. Even a unified attack by Syria and Egypt would fail, for the reasons discussed. Israel's real threat, as can be seen in history, lies in the event of internal division and/or a great power, coveting Israel's geographical position, marshalling force that is beyond its capacity to resist. Even that can be managed if Israel has a patron whose interests involve denying the coast to another power.

- During a visit to Melbourne, Australia, in November 2016, you were accused of sexual misconduct once again.
- The incident happened at a dinner held at the Melbourne Zoo as part of the Australian Skeptics National Convention, where you were a featured speaker.
- With conference delegates chatting over drinks, a woman asked you for a celebrity selfie.
- As the woman held out her phone to take the picture, you reached over her shoulder and grabbed her right breast.
- She immediately reacted, bodychecking you and spinning around. "Don't do that," she said.
- BuzzFeed News has seen the complaint made by another woman to ASU, ANU, and the New College of the Humanities in London, including the selfie, her face obscured to conceal her identity. It shows your hand in motion as a blur in front of her shoulder, apparently moving toward her chest. Two other eyewitnesses have confirmed the complainant's account of what happened.
- In April 2017, the complainant described the incident on her blog. After hearing more about your reputation for inappropriate behavior from blog readers, she decided to file a complaint about the Nov. 2016 incident.
- On July 16, she filed formal complaints with Arizona State University, and with the Australian National University in Canberra and the New College of the Humanities in London, where you have visiting appointments.
- Both Arizona State and the Australian National University told her they would look into the matter. But neither university found against you.
- "Based on the material available to the University, we do not have sufficient evidence to substantiate the allegations," Kiaran Kirk, dean of the College of Science at the Australian National University, wrote to her.
- Erin Ellison, who heads Arizona State's Office of Equity & Inclusion, wrote to her explaining that an inquiry "did not find a violation of university policy."
- In October, Arizona State denied a request from BuzzFeed News for documents relating to complaints of sexual harassment against you. However, Cynthia Jewett, the university's senior associate general counsel, noted that **two** individuals, neither affiliated with the university, had complained about you. "The University did not find either communication to state a credible allegation," Jewett wrote.

Miscellaneous facts:

- In 2008, you founded the Origins Project at Arizona State University in Tempe, a multidisciplinary effort to understand the origins of the universe, life, and social systems. You have led that effort ever since.
- Thanks to best-selling books like *The Physics of Star Trek* and *A Universe From Nothing*, frequent essays in publications including the New Yorker and the New York Times, and the documentary you made with biologist Richard Dawkins, called *The Unbelievers*, you are celebrated as one of America's leading public intellectuals.
- You served on the science policy committee for Barack Obama's 2008 presidential campaign and are a vocal critic of President Donald Trump.
- You also make regular public appearances across the world, often at gatherings of skeptics and atheists.
- At CSICon in Las Vegas in October, a few dozen fans paid $500 per head to attend a VIP luncheon with you and Dawkins.
- Many more lined up to get you to sign their copy of your latest book, *The Greatest Story Ever Told — So Far*.
- Online, people can buy T-shirts emblazoned "Lawrence Krauss for President."
- In talks and interviews, you have argued that our universe arose without divine intervention, that religion drives xenophobia, and that our brains are hardwired to believe.

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anywhere pound for pound. Along the way, a strong national consciousness was forged in the vein of a twenty-first-century trading state. Lee's method of government was not altogether democratic, and his intrusion into people's lives bordered on the petty and anal-retentive: banning spitting, the use of tobacco and chewing gum. The press, of course, was tightly controlled. Whenever criticized, Lee scoffed at how an uninhibited media in India, the Philippines and Thailand had not spared those countries from rampant corruption; multinationals love Singapore in large measure because of its meritocracy and honest government. Yes, Singapore is green with many parks, and so immaculate it borders on the antiseptic. But it is also a controlled society that challenges ideals of the Western philosophers.

For Lee has provided for the well-being of his citizens without really relying on democracy. His example holds out the possibility, heretical to an enlightened Western mind, that democracy may not be the last word in human political development. What he has engineered in Singapore is a hybrid regime: capitalistic it is, but it all occurred—particularly in the early decades—in a quasi-authoritarian setting. Elections are held, but the results are never in doubt. There may be consultations with various political groupings, yet, in fifty years, there is still little sign that the population is fundamentally unhappy with the ruling People's Action Party (though its majority has fallen somewhat). Unsurprisingly, Lee makes liberals supremely uncomfortable. Fundamentally Mill, Berlin and many other Western philosophical theorists and political scientists—from Thomas Paine and John Locke to Francis Fukuyama of late—hold that people will eventually wish to wrest themselves from the shackles of repressive rule. That the innate human desire for free will inevitably engenders discontent with the ruling class from below—something we have seen in abundance in the lands of the Arab Spring. Yet, Confucian-

**From:** J [jeevacation@gmail.com]
**Sent:** 2/1/2019 4:46:54 PM
**To:** Michael Wolff [redacted]
**Subject:** Fwd: FYI

first edit

---------- Forwarded message ---------
From: **Michael Wolff** [redacted]
Date: Fri, Feb 1, 2019 at 11:07 AM
Subject: FYI
To: Jeffrey Epstein <jeevacation@gmail.com>

Books and newspaper accounts of Trump's 45 years in business were full of his shady dealings, and the presidency had only helped to highlight them and to surface even juicier ones. Real estate was the world's favorite money laundering currency and Trump's perceived A -level real estate business was quite explicitly designed to appeal to money launderers. What's more, Trump's own financial woes, and desperate efforts to maintain billionaire lifestyle, cache, and market viability, forced him into constant and unsubtle schemes. Practically speaking, you couldn't miss him, as the Mueller investigation appeared to be finding.

In November 2004, for instance, Jeffrey Epstein, the financier later caught in a scandal involving under-age prostitutes, agreed to buy out of bankruptcy a house in Palm Beach, Florida for $36 million—a house that had been on the market for two years. Epstein and Trump had been close friends—playboys in arms, as it were—for more than a decade, with Trump always hopeful that Epstein would provide some of his financial expertise to enabvle h8im to survive . Trump was beholden to Deutsch Bank and was on the hook personally for 40 million dollars.

Epstein took Trump to see the Palm Beach house to advise him on construction issues involved with moving the swimming pool. As he prepared to finalize his deal for the house, an incredulous Epstein saw a severely cash-constrained Trump bid $41 million for the property, buying it through an entity named Trump Properties LLC, ultimate owner unknown. . Trump, Epstein knew, had been in the buisness of leasing his name. Hotels are actually owned by others but renting the trump name would cost a percent or two. , Trump was willing to serve as a front man to disguise the actual ownership in a real estate transaction. (This was, in effect, just another variation of Trump's basic business model of licensing his name for commercial properties owned by someone else.) A furious Epstein suspected that others actually owned the new house. then getting extensive scrutiny in Florida papers. The disagreement re the purchase of the house became all the more bitter when, two months later, the house was put on the market for $125 million. Well known to Trump, who often visited with Epstein at his Palm Beach house, whose visits were confirmed in depostions of Epsteins houseman. It appears that Epstein was visited almost every day, by and had been for many years, by girls who he paid for massages with happy endings—girls recruited, and who often returned to his house from the local massage

Re item 6: You report on ASU's response to item #6 , without including the fact that the University specifically stated there were never any allegations of sexual misconduct or harassment by me at the University, and the outside complaints were in fact related specifically to your item #6. Further you neglect to mention that this complaint was by an anonymous third party, not the individual who was allegedly harassed, who never lodged a complain, and that no specific evidence was provided of the alleged transgression. I was surprised and dismayed that both ASU and ANU launched investigations on the basis of this but was told by both Universities that because of my high profile even such unsubstantiated third party complaints at private events unrelated to the University would be investigated. The complaint was investigated throughly by both ASU and ANU and both came to the conclusion that it was not credible and no university policies had been violated. . In addition ANU's investigation, which took a full month found significant inconsistencies in the allegation, suggesting distortion and fabrication, I will quote from the ANU report. The initial complaint, which in fact resulted in a temporary suspension by ANU outlined the claim you made in the words you quoted in your note to me, along with the statement made in the complaint that

"It is the University's understanding that a complaint was lodged directly to the conference organisers at the time of the incident."

After the investigation, the final report absolved me of any wrongdoing, and indicated information inconsistent with the original claim and apparent later claims as follows:

"The allegations were made by an observer to the incident.
- The complaint did not identify, nor disclose the identity of the conference attendee who was allegedly touched in an unwelcome manner.
- The conference attendee who took the 'selfie' photo did not lodge a formal complaint to the conference organisers at the time of the incident (November 2016).
- The conference attendee who witnessed the incident, did not lodge a formal complaint to the conference organisers at the time of the incident (November 2016).
The photo submitted as part of the complaint does not provide evidence of any physical contact.
- The complainant alleged that a photo exists, showing your hand on the breast of the conference attendee who took the 'selfie' photo. This photo was not made available to the Australian National University, although it was requested in the course of the investigation."

(And for the record I often put my hand up in front of a camera if there is a flash, as I specifically request selfies not to include flashes, so that I don't end up with a series bright spots in front of my eyes for the next half hour)

What makes this particular type of allegation so repugnant is that I get asked for literally thousands of selfies, and when people come up to me they are vulnerable, often shaking, and sometimes overly aggressive. I am particularly proud of the way I attempt to make all people feel at ease, and respected, rather than humiliated. Thus, this false claim strikes at the heart of what I am about, which is to acknowledge fans in a way that makes them feel appreciated. As I understand you had a reporter watching me sign books and take selfies at the CFI conference in Las Vegas this year, that behavior is what they will have witnessed. Moreover, I am proud of the interactions I have had at both Case and ASU, with students, colleagues and staff. I have had numerous female graduate students, postdocs, employees, and colleagues, and as ASU attested to you, none of these have ever complained of harassment. Quite the contrary in fact, as I have worked hard to support them, mentor them, and treat them with respect. I treat others as responsible adults, and I expect to be treated equally.

Begin forwarded message:

**From:** Peter Aldhous <[redacted]>
**Subject: URGENT: BuzzFeed News inquiry re allegations of sexual harassment**
**Date:** December 10, 2017 at 5:12:27 PM PST
**To:** [redacted], [redacted]

Dr. Krauss:

complaint, were in fact there but this was a formal banquet with individuals and their partners, which I attended long enough to agree to sign things and do selfies before leaving early because I was tired. Even if I had any such intent it would have been lunacy to pose for selfies in front of a group and openly do such a thing, including presumably in front of this person's partner, . Which, besides the fact that I don't do such things, is one of the many reasons it never happened.)

What makes this particular type of allegation so repugnant is that I get asked for literally thousands of selfies, and when people come up to me they are vulnerable, often shaking, or sometimes aggressive. I am particularly proud of the way I work to make all people feel at ease, and respected, rather than humiliated, whatever their behavior or request. Thus, this false claim strikes at the heart of what I am about, which characterizes all my interactions with fans: to acknowledge them in a way that makes them feel appreciated and respected. As I understand you had a reporter watching me sign books and take selfies at the CFI conference in Las Vegas this year, that behavior is what they will have witnessed and should report on. Moreover, I am proud of the interactions I have had at both Case and ASU, with students, colleagues and staff of all genders and ethnicities. I have worked hard to support them, mentor them, and treat them with respect. I treat others as responsible adults, and I expect to be treated equally.

On Dec 10, 2017, at 6:12 PM, Peter Aldhous [redacted] wrote:

Dr. Krauss:

As you know, I'm a reporter for BuzzFeed News who has been investigating sexual misconduct allegations against you. As we've already discussed by email, I'd very much like to interview you about these allegations in detail.

In particular, you stated in an email sent on Nov 13 that two universities had investigated an incident (# 6 below). You claimed that "both Universities independently concluded that the report was unsubstantiated and fabricated with malicious intent." We are not aware that either university concluded fabrication or malicious intent, so if you have evidence to support this assertion, we would like to see and discuss it.

The story concerns your actions towards students while a professor of physics at Case Western Reserve University, as well as your conduct in non-academic settings as a prominent figure in the skeptics movement. I am reporting this story along with two of my colleagues on the science desk, Azeen Ghorayshi and Virginia Hughes.

Our story is about several allegations of sexual misconduct dating from 2006 to 2016 (see full details below). Our reporting also goes into how the various institutions you have been affiliated with — Case Western, Arizona State University, the Australian National University, the New College of the Humanities, and the Center for Inquiry, for which you serve as an honorary member of the board of directors — have handled complaints and concerns about your behavior during this time.

Our story is corroborated by emails, university documents, official complaints, testimony from victims and eyewitnesses, and interviews with more than two dozen of your current and former academic colleagues, students, and peers in the skeptics movement.

I wanted to offer you the opportunity to comment and/or respond to the main facts we plan to publish. If you wish to comment on any of the below findings, we need to hear from you as soon as possible. **We are planning on publishing our story Tuesday morning, Eastern US Time.**

Based on our reporting, this is what we plan to publish:

Incident 1:

supplement to the sea for the movement of large numbers of troops. Once the Hellespont is crossed, the coastal route through southern Turkey, down the Levant and along the Mediterranean's southern shore, provides such an alternative.

There is an additional consideration. If a Mediterranean empire leaves the Levant unoccupied, it opens the door to the possibility of a great power originating to the east seizing the ports of the Levant and challenging the Mediterranean power for maritime domination. In short, control of the Levant binds a Mediterranean empire together while denying a challenger from the east the opportunity to enter the Mediterranean. Holding the Levant, and controlling Israel, is a necessary preventive measure for a Mediterranean empire.

Israel is also important to any empire originating to the east of Israel, either in the Tigris-Euphrates basin or in Persia. For either, security could be assured only once it had an anchor on the Levant. Macedonian expansion under Alexander demonstrated that a power controlling Levantine and Turkish ports could support aggressive operations far to the east, to the Hindu Kush and beyond. While Turkish ports might have sufficed for offensive operations, simply securing the Bosporus still left the southern flank exposed. Therefore, by holding the Levant, an eastern power protected itself against attacks from Mediterranean powers.

The Levant was also important to any empire originating to the north or south of Israel. If Egypt decided to move beyond the Nile Basin and North Africa eastward, it would move first through the Sinai and then northward along the coastal plain, securing sea lanes to Egypt. When Asia Minor powers such as the Ottoman Empire developed, there was a natural tendency to move southward to control the eastern Mediterranean. The Levant is the crossroads of continents, and Israel lies in the path of many imperial ambitions.

Israel therefore occupies what might be called the convergence zone

With negotiations frozen, the Palestinians turned to unilateral measures: seeking a United Nations vote admitting the State of Palestine to membership and getting dozens of countries to recognize a Palestinian state. Meanwhile, their delegitimization campaign against Israel continued apace, especially in Europe, where calls for boycotts and sanctions spread. On the pro-Israel side there was also consideration of unilateral measures—steps to head off the Palestinians diplomatically (several of which I described and supported in the April 11 Weekly Standard).

Some forlorn hope may still have existed inside the administration that a compromise on construction could bring the Palestinians back to the table with the government of Israel—until the agreement between Hamas and Fatah was signed on April 27. This agreement, unless and until it collapses, makes Israeli concessions or new flexibility in the West Bank impossible and puts paid to the entire "peace process." It brings Hamas into the Palestinian Authority government, ending a period of several years when Palestinian Security Forces have cooperated with the Israel Defense Forces against terrorism and against Hamas in particular. It will also bring Hamas—next year and for the first time—into the PLO, the body charged with negotiating peace with Israel. Even Yasser Arafat resisted that development when he headed the PLO, and it seems obvious that Israel cannot negotiate peace with an anti-Semitic terrorist group bent on its destruction.

So where can the White House turn if it wants some kind of peace process in the Middle East? Syria. After all, in his first term as prime minister, back in 1998, Benjamin Netanyahu did authorize indirect negotiations with Syria. And the IDF—and especially Ehud Barak, a former head of the IDF, Israel's defense minister, and a close adviser to Netanyahu—has long favored such a deal. The IDF theory was that if Syria made peace, so would Lebanon, and then Israel would be at

in a passage that should be inwardly digested not just by American diplomats but also by American businessmen before they land in Beijing, “use diplomacy to weave together political, military, and psychological elements into an overall strategic design.” American diplomacy, by contrast, “generally prefers …c to be ‘flexible’; it feels an obligation to break deadlocks with new proposals—unintentionally inviting new deadlocks to elicit new proposals.” We could learn a thing or two from the Chinese, Kissinger implies, particularly Sun Tzu’s concept of shi, meaning the “potential energy” of the overall strategic landscape. Our tendency is to have an agenda of 10 different points, each one to be dealt with separately. They have one big game plan. We are always in a hurry for closure, anxiously watching the minutes tick away. The Chinese value patience; as Mao explained to Kissinger, they measure time in millennia.

Such fundamental cultural differences may give rise to conflict with China in the future, Kissinger warns: “When the Chinese view of preemption encounters the Western concept of deterrence, a vicious circle can result: acts conceived as defensive in China may be treated as aggressive by the outside world; deterrent moves by the West may be interpreted in China as encirclement. The United States and China wrestled with this dilemma repeatedly during the Cold War; to some extent they have not yet found a way to transcend it.”

Could the United States and the People’s Republic come to blows again? The possibility cannot be excluded. As Kissinger reminds us, war was the result when Germany rose to challenge Britain economically and geopolitically 100 years ago. Moreover, the key factor that brought America and China together in the 1970s—the common Soviet enemy the Chinese called “the polar bear”—has vanished from the scene. Old, intractable differences persist over Taiwan and North Korea. What remains is “Chimerica,” a less-than-

- In an incident that occurred in fall of 2007 while you were a physics professor at Case Western Reserve University, a student tried to talk to you about her plans after graduation. You mentioned to her how tough it must be to have all the other physics majors asking her out on dates.
- In a second incident in December of 2007, while you were still at Case Western, the same student visited your office to interview you for a student science journal. You closed the door behind her, and ignored the questions she had prepared. Then you made a casual comment about taking her out for dinner.
- Later, in a regular column for the school paper, she described her experiences with you, without mentioning you by name. "There was even one particular creep of a professor who once told me he thought differently of me compared to other students and asked me to dinner: a situation so disturbing that it left me upset for weeks afterward," she wrote.
- She was then approached by a dean at the university, who suspected that she was referring to you, based on a previously reported incident with another student. He encouraged her to make a complaint, and she did.
- University investigators interviewed both you and the student.
- On September 4, 2008, Susan Nickel-Schindewolf, the university's associate vice president for student affairs, wrote to the student, telling her that the investigation was complete. She wrote that you had been told: "This type of behavior could constitute sexual harassment in violation of the university's sexual harassment policy."
- The letter also stated that you were prohibited from making contact with the student as long as she remained at Case.
- The letter also stated that you are required to get approval from the dean or the chair of the physics department before setting foot on the campus again.
- The letter also stated, "Dr. Krauss expressed regret about having a negative impact on you, and also his willingness to use this complaint as an opportunity to reflect and improve on his future interactions with students."
- By then, you had already left Case, taking up your current position at Arizona State University the month before.
- "The opportunities being offered at ASU are simply too great to turn down at this stage in my career," you told Case colleagues, in an email announcing your departure on April 16, 2008.

Incident 3:

- A former Case Western physics department administrator confirmed that she had reported a previous incident involving a student who had confided in her about your inappropriate behavior towards her.

Incident 4:

- You met a student from another university, an atheist activist, in March 2008 at the American Atheists Convention in Minneapolis. She wanted to expand the atheist group she ran at the midwestern university she was attending, and hoped to convince you to come and speak. You initially seemed enthusiastic.
- During the convention, attendees including you and Richard Dawkins went for dinner with the student and volunteers for Dawkins' foundation.
- Afterwards, the student invited you to join the volunteers for a drink.
- You asked her to come get you in your hotel room. She was wary of your intentions, and so brought a male friend with her. Opening the door to find them both there, you informed her you had decided not to go.
- You met this student again at the American Atheists Convention in Des Moines, Iowa, in April 2011.
- You pulled over a chair for her in the bar, and then started running your hand up her leg under the table.
- She tried to shift her body away from you, and you persisted in putting your hand on her leg. She crossed her legs, and you kept trying. Then she turned her entire body away.

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fear of a military attack by Israel. The biggest reason is that he is worried about his country's economy, which is far more crucial to the regime's survival than the nuclear programme. The Islamic regime in Iran has not and will not live on its nuclear programme. It lives on its economy. Khamenei is worried that if he doesn't negotiate, the west will find it easier to justify isolating his country. This, in turn, will make it easier to gain international approval for tough economic sanctions. With so much legitimacy lost domestically after Mahmoud Ahmadinejad's controversial election in 2009, Khamenei has even more reason to worry about the impact that sanctions could have on the survival of his regime. This is the main reason why he is negotiating and will continue to do so. This is also why he will be careful, as he was before Dagan's statement, in the way he approaches his nuclear programme. One also has to ask: which is the bigger reason why the international community is becoming more united against Iran's nuclear programme? Its distaste and concern for Khamanei's desire to have access to a bomb (which is becoming more apparent from clause 35 of the most recent IAEA report), or threats by Israel to attack Iran's nuclear installations? After recent revelations, such as the secret enrichment site near Qom, the former is more true. To deal with such a regime and to confront its controversial nuclear programme, instead of constantly relying on military threats, Israel's leaders would be better advised to study Coelho's masterpiece, The Alchemist, and page 121 in particular: "When you want something, all the universe conspires in helping you to achieve it."

Israel is no longer alone in its belief that Iran wants to build a bomb. Judging by the support for sanctions, the UN and especially its security council members are more on the side of Israel than Iran. This includes countries such as South Korea that have adopted unilateral sanctions against Iran. In its bid to stop Iran's nuclear

Econet Wireless was established in 1998, but not before a fight. Masiyiwa waged a five-year legal battle with the government for a licence to deliver telephone services. The company now operates in 17 countries including Botswana, Lesotho, Kenya, Nigeria, South Africa and New Zealand. In 2000, while the UN filed a civil suit against Mugabe, Masiyiwa moved his family and company headquarters to South Africa. Econet Wireless first developed mobile payments to help NGOs transfer money to refugees after the war in Burundi ended in 2005. "Donor agencies were trying to find ways to make cash disbursements to refugees," says Masiyiwa. "So we built the payment system initially not as a business but as a way to help humanitarians get money to people in rural areas who were trying to re-establish their lives."

That model was extended and now mobile money transfers are central to Econet Wireless's business. Like M-Pesa before it, the company blurs the lines between telecomms and banking. Masiyiwa is passionate about this latter part of his business. He believes that extending saving and credit services to the poorest people gives them "extraordinary dignity and a sense that they are in control of their own lives". His next challenge is to create a product that allows people who are informally employed, such as smallholder farmers and casual workers, to access credit. "In Africa 70% of people are informally employed," he says. "The big frontier for us is to create platforms where those people can access credit." He says there's no risk that they will get into unmanageable debt because the banks won't extend excessive credit, calling the system "self-regulating".

But Masiyiwa says that offering people the ability to save is even more important than credit. "We're trying to build up a savings culture where people are encouraged to save, even if they only have a dollar – for children's school fees, for transport, for the doctor. A savings and credit infrastructure builds resilience." In his speech to microfinance experts at the symposium in Turin, Masiyiwa recounted a story about the judge in Zimbabwe who granted Econet Wireless's licence in 1998, saying that 70% of people in the country had never heard a telephone ring. "Today, 75% of people [in Zimbabwe] have a cell phone," he said "And I want 75% of the people in Africa to have a bank account … on a mobile phone."

And Masiyiwa has even found a solution to the energy problem that could prevent him from realising his dream. "We have developed solar charging stations where people can go into a kiosk and plug in their phone for free. Because our money is not made from someone charging the phone. It's made from someone using the phone." By way of lessons learnt, Masiyiwa says that in order to reach the unbanked, financial institutions – and telecommunications companies – must design services that are practical, simple and affordable. "I've got a customer who has a dollar in his pocket and has got to decide to have some lunch, call his cousin or go to the doctor. We have to develop services with sensitivity to the fact that in Africa our customers don't have the same disposable income as in New Zealand, for example."

But the billionaire businessman cautions that it's a mistake assume the poorest behave differently to other customers. "Their behaviour and aspirations are no different from those who have higher incomes," he says. "They want to use Facebook. They want to use WhatsApp. We have to find ways for them to access those things with their very low income."

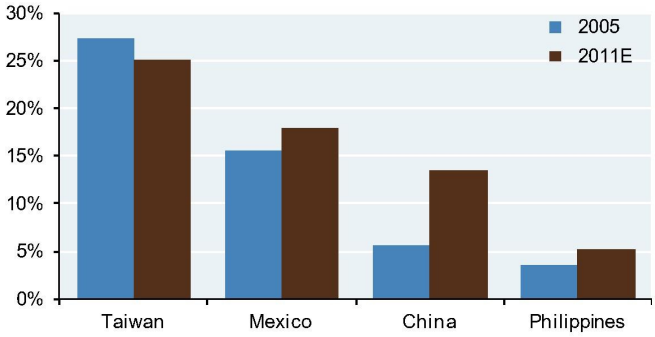
geographical lines. However, over time, these divisions must manifest themselves. For example, the coastal plain is inherently more cosmopolitan than the rest of the country. The interests of its inhabitants lie more with trading partners in the Mediterranean and the rest of the world than with their countrymen. Their standard of living is higher, and their commitment to traditions is lower. Therefore, there is an inherent tension between their immediate interests and those of the Galileans, who live more precarious, warlike lives. Countries can be divided over lesser issues — and when Israel is divided, it is vulnerable even to regional threats.

We say "even" because geography dictates that regional threats are less menacing than might be expected. The fact that Israel would be outnumbered demographically should all its neighbors turn on it is less important than the fact that it has adequate buffers in most directions, that the ability of neighbors to coordinate an attack is minimal and that their appetite for such an attack is even less. The single threat that Israel faces from the northeast can readily be managed if the Israelis create a united front there. When Israel was overrun by a Damascus-based power, it was deeply divided internally.

It is important to add one consideration to our discussion of buffers, which is diplomacy. The main neighbors of Israel are Egyptians, Syrians and those who live on the east bank of Jordan. This last group is a negligible force demographically, and the interests of the Syrians and Egyptians are widely divergent. Egypt's interests are to the south and west of its territory; the Sinai holds no attraction. Syria is always threatened from multiple directions, and alliance with Egypt adds little to its security. Therefore, under the worst of circumstances, Egypt and Syria have difficulty supporting each other. Under the best of circumstances, from Israel's point of view, it can reach a political accommodation with Egypt, securing its southwestern frontier

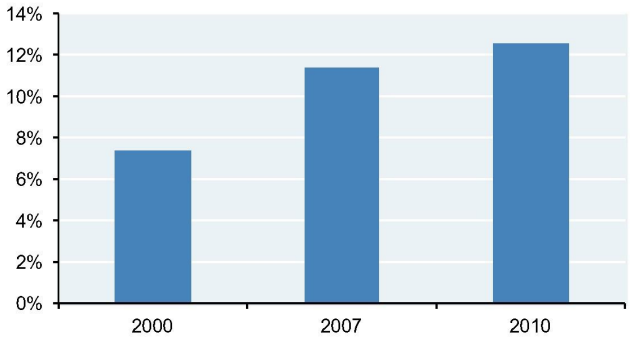
**Topics: Portfolios, US corporate profits and the Twilight of the Gods (in the US, Europe, China and the IEA)**

**Hourly compensation for production workers**
Share of US rate, 2005 vs. 2011




Source: Bureau of Labor Statistics, Empirical Research Partners.

**Share of US imports of intermediate goods from China, Malaysia, Thailand and Vietnam,** percent




Source: UN Comtrade, Empirical Research Partners.

To summarize, we expect today's margins to last a while longer, since relative costs won't converge overnight. But we are not inclined to pay a high multiple for them, given their reliance on weak labor compensation, which in turn requires large government transfers. The good news: markets are not applying high multiples right now, which is why we own the equities we do. **However, questions about the large but shrinking public sector toolkit knock 10%-15% off of our equity allocations, compared to where we would normally expect to be 2 years after a recession. We walk through 4 instances of this below, as it relates to US fiscal policy, oil prices, Chinese inflation and the European periphery**.

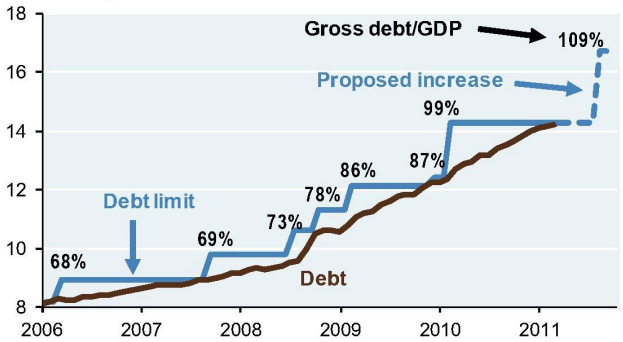
**Twilight of the Gods, part 1: Limited room for fiscal policy to invigorate the US recovery**

Here's what we know for sure about the US Federal debt ceiling debate:

- The government is facing the unappealing task of having to increase the Federal debt ceiling above 100% of GDP for the first time since the end of WWII, and only the second time since the debt ceiling was established in 1917
- The government has already run out of money from traditional sources. As shown below, since May 16, 2011, the US Treasury has been raiding the cash, securities and borrowing capacity of government employee retirement and other funds. Of $270 billion of such balances which existed in May, around 75% has already been used up. There's not much leeway left, which is why the government will probably run out of money some time in August.
- The debate about the *existing* Federal debt is the lesser of two problems. As shown on the following page, the present value of unfunded entitlement obligations (e.g., *future* debt) dwarfs the existing debt. That's why there's so much talk about a deal to stabilize the long term trajectory of the budget deficit.

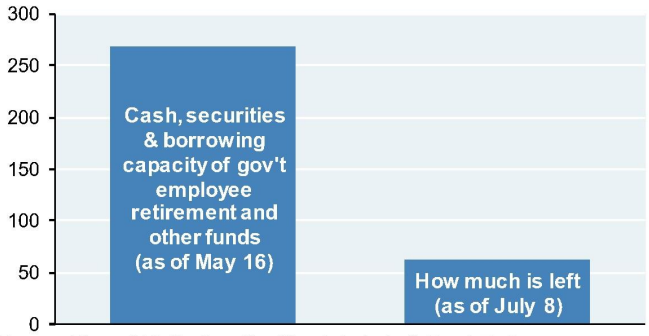
The rest is all speculation. The table on the next page shows the revenue and spending factors in play. It's too early to know what kind of deal will be crafted. We believe that the deal with be composed of 80% spending cuts and 20% revenue/tax increases (rather than 50-50), and will be closer to $2 trillion than $4 trillion. **While it's possible that another dose of fiscal stimulus will be built into the debt ceiling agreement, it might not be that large, and its impact could easily be offset by a subdued consumer response due to expectations of higher taxes in the long run (e.g., Ricardian equivalence).**

**Statutory debt limit and debt subject to limit**
Trillions of gross debt, USD




Source: US Department of the Treasury, J.P. Morgan Securities LLC, J.P. Morgan Private Bank.

**US Treasury: raiding the cookie jar**
Billions, USD




Source: Stone & McCarthy. Gov't funds include G-Fund, Exchange Stabilization Fund and Civil Service Retirement and Disability Fund.



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HERE IS the dilemma. Yes, a social contract of sorts exists between these citizens and their regimes: in return for impressive economic-growth rates the people agree to forego their desire to replace their leaders. (Truly, East Asian autocracies have not robbed people of their dignity the way Middle Eastern ones have.) But even as such growth rates continue unabated—to say nothing of if they collapse or even slow down—at higher income levels, this social contract may peter out. For as people become middle class, they gain access to global culture and trends, which prompts a desire for political freedoms to go along with their personal ones. This is why authoritarian capitalism may be just a phase, rather than a viable alternative to Western democracy.

To be sure, once the basic issues of food and security have been addressed, pace Mill and Berlin, democracy retains a better possibility of getting it right than autocracy. This is because virtuous autocracies are hard to come by and usually rely on the genius of personality; whereas democracy, regardless of the personalities involved, is systemically better positioned to lead citizenries along the path of development. Of course, we will have to wait until China's economic growth slows down, or, failing that, continues until enough Chinese have more access to global culture. Only then can we really begin to draw conclusions about whether democracy represents the final triumph of reason in politics.

The genius of both Rome and America lies ultimately in their institutions, which allowed in the first place for their freedoms. True, the history of Rome—and particularly the death of the Roman Republic—is not in the least uplifting relative to the cause of political expression. But it was Rome's ability to provide a modicum of stability to parts of central Europe and the entire Mediterranean basin—and thus further the cause of personal freedoms (mind you, by the dismal standards of the era)—that is key to its achievement; and

though repressive of political rights, have adhered to his grand strategy of seeking natural resources anywhere in the world, wherever they can find them, caring not with which despots they do business, in order to continue to raise the economic status of their own people. These Chinese autocrats govern in a collegial fashion, number many an engineer and technocrat among them, and observe strict retirement ages: this is all a far cry from the king of Saudi Arabia and the deposed leader of Egypt, sleepy octogenarians both, whose skills for creating modern middle-class societies are for the most part nonexistent.

Park Chung Hee, in the 1960s and 1970s, literally built, institutionalized and industrialized the South Korean state. It was Park Chung Hee's benign authoritarianism, as much as the democracy that eventually followed him, that accounts for the political-economic powerhouse that is today's South Korea.

Then, of course, there is the founder of current-day Singapore, Lee Kuan Yew. In 1959, Lee became prime minister of what was then a British colony. He retired from that post over thirty years later (though he continued to exert significant power until very recently). As the British prepared to withdraw in the 1960s, Lee attached Singapore to Malaya, helping to form Malaysia as a bulwark against Indonesian expansionism. When racial tensions between ethnic Malays in the Malay Peninsula and ethnic Chinese in Singapore made the new federation unworkable, Lee seceded and the independent city-state of Singapore was born. When Lee assumed power, Singapore was literally a third-world malarial hellhole beset by ethnic tensions and communist tendencies; it was barely a country in any psychological sense and it certainly could not defend itself against powerful neighbors. Lee turned it into a first-world technological dynamo and transportation hub, with one of the highest living standards worldwide, and with a military that is among the best

emerged after World War II — the United States and the Soviet Union — were engaged in an intense struggle for the eastern Mediterranean after World War II, as can be seen in the Greek and Turkish issues at that time. Neither wanted to see the British Empire survive, each wanted the Levant, and neither was prepared to make a decisive move to take it.

Both the United States and the Soviet Union saw the re-creation of Israel as an opportunity to introduce their power to the Levant. The Soviets thought they might have some influence over Israel due to ideology. The Americans thought they might have some influence given the role of American Jews in the founding. Neither was thinking particularly clearly about the matter, because neither had truly found its balance after World War II. Both knew the Levant was important, but neither saw the Levant as a central battleground at that moment. Israel slipped through the cracks.

Once the question of Jewish unity was settled through ruthless action by David Ben Gurion's government, Israel faced a simultaneous threat from all of its immediate neighbors. However, as we have seen, the threat in 1948 was more apparent than real. The northern Levant, Lebanon, was fundamentally disunited — far more interested in regional maritime trade and concerned about control from Damascus. It posed no real threat to Israel. Jordan, settling the eastern bank of the Jordan River, was an outside power that had been transplanted into the region and was more concerned about native Arabs — the Palestinians — than about Israel. The Jordanians secretly collaborated with Israel. Egypt did pose a threat, but its ability to maintain lines of supply across the Sinai was severely limited and its genuine interest in engaging and destroying Israel was more rhetorical than real. As usual, the Egyptians could not afford the level of effort needed to move into the Levant. Syria by itself had a very real interest in Israel's defeat, but by itself was incapable of decisive

them, Kissinger argues, was The Art of War by Sun Tzu, which dates from the even earlier Spring and Autumn period (770–476 B.C.). "The victorious army/Is victorious first/And seeks battle later": axioms like this one encouraged Chinese strategists to think of international relations like the board game Weiqi (known in the West as Go), a "game of surrounding pieces." Mao shared with China's prerevolutionary leaders an assumption that China is not like other countries. With a population that amounts to a fifth of humanity, it is Zhongguo: the Middle Kingdom or, perhaps more accurately, the "Central Country." At times it could even seem like tian xia: "all under heaven." The best foreign policy for such an empire was to "let barbarians fight barbarians." If that failed, then the strongest of the barbarians should be embraced and civilized (as happened to the Manchus). "Domineering and overwhelming … ruthless and aloof, poet and warrior, prophet and scourge"—Mao's true hero was not Lenin but the tyrannical, book-burning "first emperor," Qin Shi Huang, who united China in 221 B.C. In a similar way, Kissinger shows, the current generation of Chinese leaders have drawn inspiration from the teachings of Kong Fu Zi (known in the West as Confucius). Their goal, he argues, is not world domination but da tong: "great harmony." This goes to the heart of the matter. In 1971, when Kissinger first went to China, the U.S. economy was roughly five times that of the People's Republic. Forty years later, as a result of the industrial revolution unleashed by Mao's successor Deng Xiao-ping, it is conceivable that China could overtake America within a decade. This is a feat the Soviet Union never came close to achieving. Moreover, China is now the biggest foreign holder of U.S. Treasury notes, which form an important part of its vast $3 trillion of international reserves. How China will use its newfound economic power may be the most important question of our time. Few

- This incident allegedly occurred on in May 2011 on a CFI cruise. We understand that CFI staff were informed that you had propositioned a female cruise-goer, who rejected an invitation to join you and your female companion for sex in your cabin.
- At least two CFI staffers were sufficiently concerned about reports of your behavior that they urged CFI's president not to invite you on a 2014 cruise of the Galápagos Islands. You were invited on that cruise, however.

Incident 6:

- During a visit to Melbourne, Australia, in November 2016, you were accused of sexual misconduct once again.
- The incident happened at a dinner held at the Melbourne Zoo as part of the Australian Skeptics National Convention, where you were a featured speaker.
- With conference delegates chatting over drinks, a woman asked you for a celebrity selfie.
- As the woman held out her phone to take the picture, you reached over her shoulder and grabbed her right breast.
- She immediately reacted, bodychecking you and spinning around. "Don't do that," she said.
- BuzzFeed News has seen the complaint made by another woman to ASU, ANU, and the New College of the Humanities in London, including the selfie, her face obscured to conceal her identity. It shows your hand in motion as a blur in front of her shoulder, apparently moving toward her chest. Two other eyewitnesses have confirmed the complainant's account of what happened.
- In April 2017, the complainant described the incident on her blog. After hearing more about your reputation for inappropriate behavior from blog readers, she decided to file a complaint about the Nov. 2016 incident.
- On July 16, she filed formal complaints with Arizona State University, and with the Australian National University in Canberra and the New College of the Humanities in London, where you have visiting appointments.
- Both Arizona State and the Australian National University told her they would look into the matter. But neither university found against you.
- "Based on the material available to the University, we do not have sufficient evidence to substantiate the allegations," Kiaran Kirk, dean of the College of Science at the Australian National University, wrote to her.
- Erin Ellison, who heads Arizona State's Office of Equity & Inclusion, wrote to her explaining that an inquiry "did not find a violation of university policy."
- In October, Arizona State denied a request from BuzzFeed News for documents relating to complaints of sexual harassment against you. However, Cynthia Jewett, the university's senior associate general counsel, noted that **two** individuals, neither affiliated with the university, had complained about you. "The University did not find either communication to state a credible allegation," Jewett wrote.

Miscellaneous facts:

- In 2008, you founded the Origins Project at Arizona State University in Tempe, a multidisciplinary effort to understand the origins of the universe, life, and social systems. You have led that effort ever since.
- Thanks to best-selling books like *The Physics of Star Trek* and *A Universe From Nothing*, frequent essays in publications including the New Yorker and the New York Times, and the documentary you made with biologist Richard Dawkins, called *The Unbelievers*, you are celebrated as one of America's leading public intellectuals.
- You served on the science policy committee for Barack Obama's 2008 presidential campaign and are a vocal critic of President Donald Trump.
- You also make regular public appearances across the world, often at gatherings of skeptics and atheists.

Mill's proposition that persecution to preserve the existing order can never be justified remains theoretical and may never be achieved; even democratic governments must coerce their citizens for a variety of reasons. Nevertheless, the ruler who moves society to a more advanced stage of development is not only good but also perhaps the most necessary of historical actors—to the extent that history is determined by freewilled individuals as well as by larger geographical and economic forces. And the good autocrat, I submit, is not a contradiction in terms; rather, he stands at the center of the political questions that continuously morphing political societies face.

GOOD AUTOCRATS there are. For example, in the Middle East, monarchy has found a way over the decades and centuries to engender a political legitimacy of its own, allowing leaders like King Mohammed VI in Morocco, King Abdullah in Jordan and Sultan Qaboos bin Said in Oman to grant their subjects a wide berth of individual liberties without fear of being overthrown. Not only is relative freedom allowed, but extremist politics and ideologies are unnecessary in these countries. It is only in modernizing dictatorships like Syria and Libya—which in historical and geographical terms are artificial constructions and whose rulers are inherently illegitimate—where brute force and radicalism are required to hold the state together. To be sure, Egypt's Mubarak and Tunisia's Ben Ali neither ran police states on the terrifying scale of Libya's Qaddafi and Syria's Assad nor stifled economic progress with such alacrity. But while Mubarak and Ben Ali left their countries in conditions suitable for the emergence of stable democracy, there is little virtue that can be attached to their rule. The economic liberalizations of recent years were haphazard rather than well planned. Their countries' functioning institutions exist for reasons that go back centuries: Egypt and Tunisia have been states in

• Reaffirm support for the resolution of the Israeli-Palestinian conflict on the basis of two states for two peoples and the right of the Jewish and Palestinian peoples to self-determination, without prejudice to the rights of all citizens and minority groups. Recall, in this context, U.N. General Assembly resolution 181 of 1947 that called for the establishment of a Jewish state and an Arab state.
• Acknowledge institutional and security reform, economic development and state-building efforts — especially in the West Bank, under the leadership of President Abbas and Prime Minister Salam Fayyad, which have helped lay the foundations for Palestinian statehood — and endorse the position articulated by the World Bank and the United Nations that the Palestinian Authority is "well positioned for the establishment of a state at any point in the near future."
• Accordingly, support the establishment of an independent and sovereign Palestinian state on the basis of the 1967 lines with its capital in East Jerusalem in parallel with Israel's recognized capital in West Jerusalem, and with mutually agreed territorial swaps and modifications, subject to negotiation — a state that will live side by side with Israel in peace and security.
• Recognize that extending the authority of a Palestinian state to the Gaza Strip will depend on effective control there by a legitimate Palestinian government that exercises authority in the West Bank, is committed to the Quartet principles and the Arab Peace Initiative and respects the commitments of the Palestine Liberation Organization.
• Call for both states to engage in good faith negotiations on the basis of this and previous relevant resolutions and agreements in order to resolve all outstanding issues between them, beginning with the issues of borders, settlements, water and security arrangements. Specifically, security arrangements — including multi-layered international, regional and bilateral guarantees — should confront

deploys on the plain.

On the surface, Israel lacks strategic depth, but this is true only on the surface. It faces limited threats from southern neighbors. To its east, it faces only a narrow strip of populated area east of the Jordan. To the north, there is a maritime commercial entity. Syria operating alone, forced through the narrow gap of the Mount Hermon-Galilee line and operating on extended supply lines, can be dealt with readily. There is a risk of simultaneous attacks from multiple directions. Depending on the forces deployed and the degree of coordination between them, this can pose a problem for Israel. However, even here the Israelis have the tremendous advantage of fighting on interior lines. Egypt and Syria, fighting on external lines (and widely separated fronts), would have enormous difficulty transferring forces from one front to another. Israel, on interior lines (fronts close to each other with good transportation), would be able to move its forces from front to front rapidly, allowing for sequential engagement and thereby the defeat of enemies. Unless enemies are carefully coordinated and initiate war simultaneously — and deploy substantially superior force on at least one front — Israel can initiate war at a time of its choosing or else move its forces rapidly between fronts, negating much of the advantage of size that the attackers might have.

There is another aspect to the problem of multifront war. Egypt usually has minimal interests along the Levant, having its own coast and an orientation to the south toward the headwaters of the Nile. On the rare occasions when Egypt does move through the Sinai and attacks to the north and northeast, it is in an expansionary mode. By the time it consolidates and exploits the coastal plain, it would be powerful enough to threaten Syria. From Syria's point of view, the only thing more dangerous than Israel is an Egypt in control of Israel. Therefore, the probability of a coordinated north-south strike at Israel

meant that Turkey, controlling the Bosporus, had to be kept in the American bloc. Syria and Iraq shifted policies in the late 1950s and by the mid-1960s had been armed by the Soviets. This made Turkey's position precarious: If the Soviets pressed from the north while Syria and Iraq pressed from the south, the outcome would be uncertain, to say the least, and the global balance of power was at stake.

The United States used Iran to divert Iraq's attention. Israel was equally useful in diverting Syria's attention. So long as Israel threatened Syria from the south, it could not divert its forces to the north. That helped secure Turkey at a relatively low cost in aid and risk. By aligning itself with the interests of a great power, Israel lost some of its room for maneuver: For example, in 1973, it was limited by the United States in what it could do to Egypt. But those limitations aside, it remained autonomous internally and generally free to pursue its strategic interests.

The end of hostilities with Egypt, guaranteed by the Sinai buffer zone, created a new era for Israel. Egypt was restored to its traditional position, Jordan was a marginal power on the east bank, Lebanon was in its normal, unstable mode, and only Syria was a threat. However, it was a threat that Israel could easily deal with. Syria by itself could not threaten the survival of Israel.

Following Camp David (an ironic name), Israel was in its Davidic model, in a somewhat modified sense. Its survival was not at stake. Its problems — the domination of a large, hostile population and managing events in the northern Levant — were subcritical (meaning that, though these were not easy tasks, they did not represent fundamental threats to national survival, so long as Israel retained national unity). When unified, Israel has never been threatened by its neighbors. Geography dictates against it.

Israel's danger will come only if a great power seeks to dominate the Mediterranean Basin or to occupy the region between Afghanistan

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## Post-election insights: The road ahead

Thursday, November 8, 2012 at 4:00 p.m. Eastern Time

Hosted by
**John Duffy**, Chief Executive Officer, J.P. Morgan U.S. Private Bank

Featuring
**Peter Scher**, Head of Corporate Responsibility, JPMorgan Chase & Co.

As the new political landscape begins to take shape, join us to hear Peter discuss:

- Global implications of election results
- Impact on regulatory and "fiscal cliff" legislation
- Bipartisanship in the new environment

**TO LISTEN TO THE CALL**
Toll-free: 877.804.2965
International Toll: 706.902.2073
Conference ID: 68693542

**ABOUT PETER L. SCHER**

Peter L. Scher is the Executive Vice President and Head of Corporate Responsibility for JPMorgan Chase & Co and a member of the firm's Executive Committee. Scher oversees Global Government Relations and Public Policy, Global Philanthropy, the Office of Environmental Affairs, and the firm's Social Finance business, which provides financial services to the impact investing market. He led the firm's development of the *Brookings-JP Morgan Chase Global Cities Initiative,* a five-year effort to help the 100 largest U.S. metropolitan areas become more competitive in the global economy.

Prior to joining JPMorgan Chase in June of 2008, Scher was the Managing Partner of the Washington, D.C. office of Mayer Brown LLP, where he had been a partner since 2000 and earlier served as the chairman of the firm's Government and Global Trade Practice, overseeing that practice in the United States, Europe and Asia.

Scher spent nearly a decade in government service. Nominated by President Clinton and confirmed by the United States Senate, he served as the U.S. Special Trade Negotiator, with the rank of Ambassador from 1997-2000. In his service as U.S. Special Trade Ambassador, he was one of the lead U.S. negotiators on China's entry into the World Trade Organization, as well as negotiations on trade issues with countries in Europe, Asia and Latin America. He earlier served as the Chief of Staff in the Office of the United States Trade Representative and in the same position at the U.S. Department of Commerce. Scher previously served on Capitol Hill as the majority staff director for the U.S. Senate Committee on Environment and Public Works, and as the Chief of Staff to U.S. Senator Max Baucus.

Scher has been active in civic and political activities throughout his career. He served on the staff for the Clinton-Gore campaigns of 1992 and 1996, as well as the Kerry-Edwards campaign of 2004. He has been a member of the Atlantic Council of the United States Working Group on U.S.–European Union Trade and Regulatory Issues and the Asia Task Force for the Center for Strategic and International Studies. In 2009, Scher was appointed by the White House to serve as U.S. Representative to the Asia Pacific Economic Cooperation Forum (APEC) Business Advisory Council.

Scher serves on the Board of Trustees of American University and is a member of the Council on Foreign Relations. He received his B.A. from American University in 1983 and his J.D. from AU's Washington College of Law in 1987.

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therefore, generally poor. The area to its north, Asia Minor, is heavily mountainous. Syria cannot project power to the north except with great difficulty, but powers in Asia Minor can move south. Syria's eastern flank is buffered by a desert that stretches to the Euphrates. Therefore, when there is no threat from the north, Syria's interest — after securing itself internally — is to gain access to the coast. Its primary channel is directly westward, toward the rich cities of the northern Levantine coast, with which it trades heavily. An alternative interest is southwestward, toward the southern Levantine coast controlled by Israel.

As can be seen, Syria can be interested in Israel only selectively. When it is interested, it has a serious battle problem. To attack Israel, it would have to strike between Mount Hermon and the Sea of Galilee, an area about 25 miles wide. The Syrians potentially can attack south of the sea, but only if they are prepared to fight through this region and then attack on extended supply lines. If an attack is mounted along the main route, Syrian forces must descend the Golan Heights and then fight through the hilly Galilee before reaching the coastal plain — sometimes with guerrillas holding out in the Galilean hills. The Galilee is an area that is relatively easy to defend and difficult to attack. Therefore, it is only once Syria takes the Galilee, and can control its lines of supply against guerrilla attack, that its real battle begins.

To reach the coast or move toward Jerusalem, Syria must fight through a plain in front of a line of low hills. This is the decisive battleground where massed Israeli forces, close to lines of supply, can defend against dispersed Syrian forces on extended lines of supply. It is no accident that Megiddo — or Armageddon, as the plain is sometimes referred to — has apocalyptic meaning. This is the point at which any move from Syria would be decided. But a Syrian offensive would have a tough fight to reach Megiddo, and a tougher one as it

frustrating and (so far) inconclusive nature of the Libyan intervention.

However, the Syrian conflict also needs to be seen in the context of a generation-long experiment with liberal interventionism. That era began in 1991, when the collapse of the Soviet Union left the US as the world's sole superpower and a swift victory in the first Gulf war restored confidence in the power and effectiveness of American military might. Since then, the debate about how and when to use military power has waxed and waned. Western governments chastised themselves over the failure to protect the Kurds and the Shia in Iraq in 1991, over the Rwandan genocide of 1994 and over the many years of dithering as lives were lost in the Balkans. But a series of apparently successful interventions – Bosnia, Kosovo, East Timor, Sierra Leone – gradually strengthened the belief that western military power could be used to end conflicts and save civilians.

The bitter experiences of the Afghan and Iraq wars, however, shifted the debate on military intervention once more. Both Barack Obama in the US and David Cameron in Britain promised to be leaders who would adopt a much more cautious attitude to foreign military adventures. Then along came the Arab spring and western leaders once again found themselves committing to military action, this time in Libya – Mr Obama with evident reluctance, Mr Cameron and President Nicolas Sarkozy of France with apparent enthusiasm.

The Libyan war illustrates how unfolding events can force a political leader's hand. That could still happen in Syria. But it seems much more likely that, this time, the west will stand aside.

In part, this is because of deadlock at the UN, where Russia and China – angry about the Libyan war – are blocking efforts to pass a resolution that even condemns events in Syria, let alone prepares the ground for intervention. However the broader context is the west's diminishing ability and willingness to intervene at all.

yet been fully felt and is often undervalued. Iraq still draws undue scepticism but production there is showing serious promise. The country could add up to 300,000 barrels this year, with more contracts, more exploration and more drilling already in the works. Barring an unlikely and total implosion of the government, it is hard to see production slowing down this decade. The same is true for "tight oil" coming from unconventional sources. We are seeing this begin to play out in North American fields such as the Bakken in North Dakota. As technology and investment are dispersed over the coming year, oil supply should positively surprise. Third, Saudi supply increases are not dependant on Opec. The country's oil minister Ali Naimi left the cartel's Vienna meeting earlier this month with complaints that the organisation had just endured one of its most contentious and least productive gatherings in many years. But that is only because the major oil players were not prepared to pretend that there was agreement on output quotas. With Iran chairing the meeting, an annoyed Venezuela in attendance and an embattled Libya looking on, it was much harder to get the group to put aside their differences and smile for the cameras. The Saudis have the most influence on price-moving output decisions and they increased production just as they had planned before the meeting proved so difficult. Economically stressed oil producers such as Iran and Venezuela always want higher oil prices. But the Saudis and other Gulf Co-operation Council producers maintain a longer-term moderating outlook and they are the ones with the spare capacity to make the difference. Add that to your favourite economist's projection on the softness of the global economy, and we may soon be asking whether or not this latest IEA move was worth it.

*The writer is the president of Eurasia Group, a political risk consultancy, and author of 'The End of the Free Market'.*

politically as well as by geography, thus freeing Israel to concentrate on the northern threats and opportunities.

Israel and the Great Powers

The threat to Israel rarely comes from the region, except when the Israelis are divided internally. The conquests of Israel occur when powers not adjacent to it begin forming empires. Babylon, Persia, Macedonia, Rome, Turkey and Britain all controlled Israel politically, sometimes for worse and sometimes for better. Each dominated it militarily, but none was a neighbor of Israel. This is a consistent pattern. Israel can resist its neighbors; danger arises when more distant powers begin playing imperial games. Empires can bring force to bear that Israel cannot resist.

Israel therefore has this problem: It would be secure if it could confine itself to protecting its interests from neighbors, but it cannot confine itself because its geographic location invariably draws larger, more distant powers toward Israel. Therefore, while Israel's military can focus only on immediate interests, its diplomatic interests must look much further. Israel is constantly entangled with global interests (as the globe is defined at any point), seeking to deflect and align with broader global powers. When it fails in this diplomacy, the consequences can be catastrophic.

Israel exists in three conditions. First, it can be a completely independent state. This condition occurs when there are no major imperial powers external to the region. We might call this the David model. Second, it can live as part of an imperial system — either as a subordinate ally, as a moderately autonomous entity or as a satrapy. In any case, it maintains its identity but loses room for independent maneuvering in foreign policy and potentially in domestic policy. We might call this the Persian model in its most beneficent form. Finally, Israel can be completely crushed — with mass deportations and migrations, with a complete loss of autonomy and minimal residual

under the rule of locally chosen leaders whom the Europeans knew they could trust. It is possible that the current transformations might result in security vacuums that local parties or foreign powers could exploit to fragment some Arab states into smaller units that would then be more reliant on foreign support or protection.

Sudan has already split into northern and southern states, while Yemen, Iraq and possibly a few others are similarly susceptible to subdivision into smaller statelets. This raises difficult issues about the inviolability of the current Arab borders that the retreating Europeans created last century. I thought the secession of South Sudan was a perfectly acceptable development, if it reflected the will of the people of the south, and was not imposed on them. The operative principle in such possible developments is whether change reflects the consent of the governed and represents the will of the majority, while protecting the rights of minorities. If Yemenis decide to split again into two or even three states, and this reflects the free will of the Yemeni people, they should be allowed to do so without external interference.

There is nothing sacred or permanent about the borders of any country, especially Arab countries that were mostly created by the handiwork of European colonial officers. Countries evolve and sometimes change shape as a routine historical process. If some Arabs decide they are uncomfortable with their existing state boundaries and they wish to break away and form a separate country, that should always be an option. After all, the world mostly rejoiced when the former Soviet Union and its empire collapsed and some of its constituent republics fragmented into smaller units, notably Yugoslavia and Czechoslovakia.

We should be prepared to deal with the specter of existing Arab countries that reconfigure their frontiers and populations while they are reconfiguring their political governance systems.

The location of the meeting is itself suspicious. Prosecutors and other law enforcement officials normally demand that those seeking a deal come to them.

The fact that Acosta didn't is another sign — if one were needed — that this was a capitulation. It also casts further doubt on the claim that Acosta was capitulating for the purpose of sparing the folks who worked with him in the prosecutor's office.

The key point, though, is that Ken Starr and Jay Lefkowitz were power players in Washington — men who might help Acosta down the road.

Readers will be quite familiar with Starr's background. Lefkowitz was director of cabinet affairs and deputy executive secretary to the domestic policy council under President George H.W. Bush. Under President George W. Bush, Lefkowitz served as general counsel in the Office of Management and Budget and later as deputy director of domestic policy at the White House.

Accommodating such influential figures must have seemed like a good career move. Having Starr and Lefkowitz on his side might help Acosta get a judgeship, a cabinet appointment, or a high-paying job back at Kirkland and Ellis.

I'm speculating, of course. But my speculation finds support in Acosta's practice of accommodating the powerful.

Much of that accommodation is of Democrats. Indeed, at the time Acosta was working in Miami as a U.S. Attorney, he had alienated some Republicans by such accommodation while at the Department of Justice. Some say he was on the verge of being fired when Attorney General Alberto Gonzalez parachuted him to Miami. The Epstein settlement was a way for Acosta to shore up his standing with some influential Republicans.

Will Acosta be able to survive the current scandal? I don't have a clear sense about this yet. But President Trump, who isn't bashful about sacking cabinet members, may come to believe (if he doesn't now) that it's disadvantageous to have a cabinet member who sold out teenage victims of sexual abuse, especially when the sell-out benefited an ultra-wealthy serial offender.

* Some on the left are trying to make something or the fact that Starr, who had investigated Bill Clinton in connection with sexual misconduct, later defended Epstein, a pervert. This is silly.

In both instances, Starr was doing his job as a lawyer. Perverts are entitled to a defense and there is nothing hypocritical about investigating Bill Clinton's misconduct when that was Starr's job and later joining the team that was defending Jeffrey Epstein.

Acosta, by contrast, was on the team seeking justice for Epstein and for his victims. He gave up this quest for reasons that can't be defended.

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the north, Israel's territory never stretched as far as Damascus, although it frequently held the Golan Heights. Israel extended many times to both sides of the Jordan but never deep into the Jordanian Desert. It never extended southeast into the Arabian Peninsula.

Israel consists generally of three parts. First, it always has had the northern hill region, stretching from the foothills of Mount Hermon south to Jerusalem. Second, it always contains some of the coastal plain from today's Tel Aviv north to Haifa. Third, it occupies area between Jerusalem and the Jordan River — today's West Bank. At times, it controls all or part of the Negev, including the coastal region between the Sinai to the Tel Aviv area. It may be larger than this at various times in history, and sometimes smaller, but it normally holds all or part of these three regions.

Israel is well-buffered in three directions. The Sinai Desert protects it against the Egyptians. In general, the Sinai has held little attraction for the Egyptians. The difficulty of deploying forces in the eastern Sinai poses severe logistical problems for them, particularly during a prolonged presence. Unless Egypt can rapidly move through the Sinai north into the coastal plain, where it can sustain its forces more readily, deploying in the Sinai is difficult and unrewarding.

Therefore, so long as Israel is not so weak as to make an attack on the coastal plain a viable option, or unless Egypt is motivated by an outside imperial power, Israel does not face a threat from the southwest.

Israel is similarly protected from the southeast. The deserts southeast of Eilat-Aqaba are virtually impassable. No large force could approach from that direction, although smaller raiding parties could. The tribes of the Arabian Peninsula lack the reach or the size to pose a threat to Israel, unless massed and aligned with other forces. Even then, the approach from the southeast is not one that they are likely to take. The Negev is secure from that direction.

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**ABOUT PETER L. SCHER**

Peter L. Scher is the Executive Vice President and Head of Corporate Responsibility for JPMorgan Chase & Co and a member of the firm's Executive Committee. Scher oversees Global Government Relations and Public Policy, Global Philanthropy, the Office of Environmental Affairs, and the firm's Social Finance business, which provides financial services to the impact investing market. He led the firm's development of the *Brookings-JP Morgan Chase Global Cities Initiative,* a five-year effort to help the 100 largest U.S. metropolitan areas become more competitive in the global economy.

Prior to joining JPMorgan Chase in June of 2008, Scher was the Managing Partner of the Washington, D.C. office of Mayer Brown LLP, where he had been a partner since 2000 and earlier served as the chairman of the firm's Government and Global Trade Practice, overseeing that practice in the United States, Europe and Asia.

Scher spent nearly a decade in government service. Nominated by President Clinton and confirmed by the United States Senate, he served as the U.S. Special Trade Negotiator, with the rank of Ambassador from 1997-2000. In his service as U.S. Special Trade Ambassador, he was one of the lead U.S. negotiators on China's entry into the World Trade Organization, as well as negotiations on trade issues with countries in Europe, Asia and Latin America. He earlier served as the Chief of Staff in the Office of the United States Trade Representative and in the same position at the U.S. Department of Commerce. Scher previously served on Capitol Hill as the majority staff director for the U.S. Senate Committee on Environment and Public Works, and as the Chief of Staff to U.S. Senator Max Baucus.

Scher has been active in civic and political activities throughout his career. He served on the staff for the Clinton-Gore campaigns of 1992 and 1996, as well as the Kerry-Edwards campaign of 2004. He has been a member of the Atlantic Council of the United States Working Group on U.S.–European Union Trade and Regulatory Issues and the Asia Task Force for the Center for Strategic and International Studies. In 2009, Scher was appointed by the White House to serve as U.S. Representative to the Asia Pacific Economic Cooperation Forum (APEC) Business Advisory Council.

Scher serves on the Board of Trustees of American University and is a member of the Council on Foreign Relations. He received his B.A. from American University in 1983 and his J.D. from AU's Washington College of Law in 1987.

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That's why Iran is a risk: a disruption would make oil markets even tighter, and drive gasoline prices up further. Even before the February spike, gasoline prices relative to earnings and income were starting to bite (2nd chart). The private sector can handle *some* gasoline price increases, but probably not much more than what we've seen already. The spread between retail and wholesale gasoline prices is low ($0.35, compared to a $0.35-$1.00 range), suggesting further retail increases may be in store.

**People like me now spend a lot of time on conference calls with geopolitical experts of different stripes.** On one call, speakers raised the probability of military action from 30% to 50%. On another call, speakers mentioned that the US has "run out of senior military advisors to send to Israel, all requesting that Israel not attack unilaterally", and believe Israel won't. A paper by Matt Kroenig in Foreign Affairs magazine entitled "*Time to Attack Iran; Why a Strike is the Least Bad Option*" resulted in a firestorm of criticism from multiple sides. With sanctions appearing to work (Iran's inflation, currency collapse, fewer buyers of its oil and a potential ban on Iranian banks from the global SWIFT payments network), won't the US want to wait and see? Most of the US military establishment *seems* to take this view. The conjecture is endless. Here are a few points I found to be of greatest relevance as we sift through this:

** **The US and Europe appear to take the Israeli attack threat seriously**. Economic recoveries are just beginning to form in both regions, and there are elections coming up, so for politicians to ratchet up sanctions and drive up oil and gasoline prices, they must be very concerned that without tougher sanctions, the Israelis might act.

** **Iran's Fordow facility is key to understanding the debate about the effectiveness of military action, and why some are nervous that the "window for action is closing"**. Fordow is estimated to be 80-90 meters below grade, and is suspected of being ready for uranium enrichment. The Iranians reportedly have ~80 kg of 20% enriched uranium ($UF_6$), and need 25 kg more to convert it into enough uranium metal ($UF_4$) for a nuclear bomb. The most powerful *conventional* weapon in the US arsenal is the Massive Ordnance Penetration device (MOP), a 30,000 pound bomb with 5,000 pounds of explosives. It travels at twice the speed of sound, and is designed to penetrate rock and concrete before detonating. However, **it would probably take 4 of these weapons**, dropped in succession by B-2 bombers in the same exact spot, to destroy Fordow [a].

** **Military strikes could quickly escalate to engulf the entire region**. While the Israel-Iran and US-Iran dimensions are important to understand, so too are the Sunni-Shia issues in play. Any complicity by Sunni countries in conjunction with US action (airspace, attack plans and logistics, etc.) might be seen as acts of war by Iran.

** The **Strait of Hormuz** carries 20% of the world's oil (17 million bpd). There are active and de-activated pipelines in Saudi Arabia, Iraq and the UAE that could divert around 5-6 mm bpd, and strategic petroleum reserves could be released. Even so, a military battle in the Strait could cause oil prices to rise $20-$30, according to EIA and GAO 2007 estimates.

To be fair to all the analysts, journalists and think tanks, there is no reason to expect greater foresight now than during the Cuban Missile Crisis, Iraq War or other military standoffs. This is a binary market risk that in our view justifies material consideration in portfolio allocations, and that's about all we know. Our 2012 Outlook section on this issue was entitled "*Learning to Live with a Nuclear Iran*", and that may very well be where this ends up.

vast cover-up."

It is not easy to find an objective criterion that distinguishes the inquiry into a real conspiracy from one that chases a pseudo-conspiracy. Both types rely are the eyewitnesses, documents and forensic evidence. The best that Mr. Brotherton can offer on this score is to cite Stewart Potter's famous comment on pornography: "I know it when I see it." In the context of suspicious minds, though, one person might see a plausible case for a conspiracy and another only outlandish connections. The distinction is in the mind of the beholder.

Mr. Brotherton offers a sample list of conspiracy theories, including ones alleging that Abraham Lincoln was assassinated on the orders of his vice president; that the moon landing was faked; that Area 51 in New Mexico is home to extra-terrestrial technology under government auspices; that President Obama is "a communist Muslim from Kenya." Such theories are meant to show that suspicious minds leap to absurd conclusions. These are chosen because there is no evidence to support them.

The picture changes, however, if we consider, for example, the theory claiming that Lincoln's assassin, John Wilkes Booth was part of a larger conspiracy backed by the Confederacy. On April 14, 1865, at about the same time that Booth shot Lincoln, one of his associates stabbed Secretary of State William Seward and another stalked Vice President Andrew Johnson with a loaded gun. The military commission appointed by President Johnson, after hearing 371 witnesses testify and after examining Confederate bank transfers and cipher communications, concluded that the three attacks were part of a conspiracy sponsored by the Confederacy and convicted eight of Booth's associates, four of whom were hanged. Here we have a conspiracy theory proceeding not from crackpots but from a government commission backed by the new president and most members of Lincoln's cabinet.

Clearly the defects in the brain's wiring that lead to crazy theories may lead to the confirmation of theories that are adopted by rational people. Indeed, the confirmation bias can work in contradictory ways: confirming not only conspiracy theories but the impulse to reject them in favor of conventional wisdom. Can this defect be corrected? Here I am reminded of a Woody Allen's absolutely brilliant 1996 comedy "Everyone Says I Love You," in which the once-liberal son of a New York liberal family starts spouting conservative theories until a doctor solves the problem by restoring the proper flow of oxygen to his brain. The movie has a happy ending when the son goes back to spouting his family's liberal theories. While Mr. Brotherton offers no such remedy to our brain's defects, he does offer a thought-provoking analysis and an appealing guide to thinking about conspiracies, real and imagined.

—Mr. Epstein most recent book is "The Annals of Unsolved Crimes." He is currently writing a book about Edward Snowden.
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http://www.wsj.com/articles/theyre-not-really-out-to-get-you-1450471512
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So despite their many faults and deplorable record on human rights, the Assads have treated their chemical arsenal with considerable care. But as the country potentially descends into chaos, will that hold true?

Let's start with the possibility of civil war. According to researchers at the James Martin Center for Nonproliferation Studies, open sources indicate that there are at least four, and potentially five, chemical weapons production facilities in Syria. One or two are located near Damascus, the other three situated in Hama, Latakia, and al-Safira village, near the city of Aleppo. Hama is one of the hotbeds of the Syrian revolt, which Assad's tanks attacked in early August and where, more recently, fighting has severely damaged the city's hospitals. Latakia is another center of unrest; it was shelled by the Syrian Navy in mid-August. Aleppo, Syria's second-largest city has also seen significant demonstrations.

If anti-Assad insurgents take up arms, the chemical sites, as symbols of regime's authority, could become strategic targets. And, if mass defections occur from the Syrian army, there may be no one left to defend the sites against seizure. This could lead to disastrous outcomes -- including confiscation of the chemical weapons by a radical new national government, or sale of the weapons as war booty to organized non-state actors or criminal groups.

In such chaos, no one can predict who might control the weapons or where they might be taken. With these chemical weapons in the hands of those engaged in a possible civil war, the risks that they would be used would increase substantially. The problem would be worsened further if some possessors were not fully aware of the extent of the weapons' deadly effects.

And let's imagine that Assad is eventually removed: What leaders would gain control of these weapons after he departed? Saudi-backed Sunni groups? Iran-backed Shia organizations? Whoever they might

be, it is unclear that the newcomers would follow the Assads' cautious-use doctrine and refusal to share chemical weapons with non-state groups, or that the new leaders would be able to maintain strict security measures at the chemical sites.

Meanwhile, it's possible that an existential threat will cause the Assad regime to abandon its previous policy of restraint regarding chemical weapons. It is not a huge leap from attacking civilians with tank fire, machine guns, and naval artillery to deploying poison gas, and the shock effect and sense of dread engendered by even limited use could quash a city-wide uprising within an hour.

The options available to the United States to minimize these risks are limited at best. Washington has certainly warned Assad against using the weapons domestically. But with Assad already at risk of indictment for crimes against humanity, and given his likely belief that the United States will not intervene militarily due to its commitments elsewhere -- including its politically unpopular and still opaque involvement in Libya -- U.S. warnings may have little deterrent effect.

A preemptive Israeli military strike to destroy the weapons does not appear technically feasible: Even if Israeli Prime Minister Benjamin Netanyahu were ready to change the status quo, Assad is believed to have stored bulk chemical agents and filled (or quickly filled) shells and bombs in underground bunkers at multiple sites throughout the country. Moreover, even if Israel used incendiary bombs in an attempt to incinerate the chemical agents, the risk of dispersing large quantities of poisonous liquids would remain, with the potential to cause large-scale casualties.

The Obama administration needs to start planning now to manage Assad's chemical weapons legacy. If a new government replaces Assad -- or even if different groups compete for international recognition -- a U.S.-led coalition, including Turkey and the leading

Obama will have to make some decisions. But it's far better to let the Syrians do this themselves, if they can. We cannot prevent every casualty. That's starting to sound like a doctrine to me. Call it the doctrine of no doctrine: using our power and influence but doing so prudently and multilaterally, with the crucial recognition that Egypt is different from Libya is different from Syria is different from someplace else. According to the foreign-policy establishment, if you want to have a self-respecting big-D doctrine, you're not supposed to recognize differences. The doctrine must guide all cases. But that is exactly the kind of thinking that has led—always—to tragedy. The Truman Doctrine was never meant to be applied to Vietnam. The Bush Doctrine was applied to Iraq based on a series of lies told to the American people. And so on. If the Obama Doctrine is nothing like those, so much the better. This does not yet greatness make. These dramatic changes have to work out for the better, and here the United States has a huge role to play. With respect to Libya, for example, we have control of about $37 billion in assets we can dole out to the transitional council. And yes, we probably are interested in its oil. But that doesn't have to mean stealing it. All the Western countries that backed the rebels have to play a constructive and non- (forgive me for such a dated word) imperialist role in helping the country build its future. So there's work to be done. But it's hardly impossible to envision an Obama administration in a few years' time that has drawn down Afghanistan and Iraq, helped foster reforms and maybe even the growth of a couple of democracies around the Middle East, and restored the standing of a country that Bush had laid such staggering waste. And killed Osama bin Laden. If this is weak America-hating, count me in.

*Newsweek/Daily Beast special correspondent Michael Tomasky is also editor of Democracy: A Journal of Ideas.*

Faced with this dynamic, it will be difficult for Fatah to maintain its relationship with Israel. Indeed, Fatah could be forced to initiate an intifada, something it would greatly prefer to avoid, as this would undermine what economic development the West Bank has experienced.

Israel therefore conceivably could face conflict in Gaza, a conflict along the Lebanese border and a rising in the West Bank, something it clearly knows. In a rare move, Israel announced plans to call up reserves in September. Though preannouncements of such things are not common, Israel wants to signal resolution.

Israel has two strategies in the face of the potential storm. One is a devastating attack on Gaza followed by rotating forces to the north to deal with Hezbollah and intense suppression of an intifada. Dealing with Gaza fast and hard is the key if the intention is to abort the evolution I laid out. But the problem here is that the three-front scenario I laid out is simply a possibility; there is no certainty here. If Israel initiates conflict in Gaza and fails, it risks making a possibility into a certainty - and Israel has not had many stunning victories for several decades. It could also create a crisis for Egypt's military rulers, not something the Israelis want.

Israel also simply could absorb the attacks from Hamas to make Israel appear the victim. But seeking sympathy is not likely to work given how Palestinians have managed to shape global opinion. Moreover, we would expect Hamas to repeat its attacks to the point that Israel no longer could decline combat.

War thus benefits Hamas (even if Hamas maintains plausible deniability by having others commit the attacks), a war Hezbollah has good reason to enter at such a stage and that Fatah does not want but could be forced into. Such a war could shift the Egyptian dynamic significantly to Hamas' advantage, while Iran would certainly want al-Assad to be able to say to Syrians that a war with Israel is no time for

is determined to depose him, the ruler of Syria is in deep trouble. It may be only a matter of time before Assad falls, but we simply do not know how long it will take and how it will unfold.

External intervention and support for anti-government forces is undoubtedly the most important issue that separates the Libyan case from the Syrian one. Slaughtered by Qaddafi's regime, Libyan protesters did not hesitate to ask for Western military intervention, which they ultimately got in the form of a NATO aerial campaign. Let's be honest and clear, without NATO's air strikes, the no-fly zone, and the sanctions against Qaddafi, the civil war in Libya would have dragged on even longer, and rebel victory would have been extremely difficult if not impossible to achieve.

The majority of the protesters in Syria do not want Western military intervention. Their position is both courageous and rational, but it is not without costs and risks. With external military assistance (if the West sends arms or launches another NATO aerial campaign), they would be in a better position operationally to overthrow Assad, but their ability to govern their country in the future autonomously would be more limited (surely nothing is for free in international relations). Without external military assistance, they are extremely vulnerable and at the mercy of Assad's tanks and security forces, but if they pull his overthrow off, they will own their country's future and put themselves in a position to better ward off future foreign meddling and interference. It is not an easy choice, but so far, the Syrian protesters have decided to go it alone, and one must understand and respect their remarkable position.

While the balance of forces currently tilts heavily in Assad's favor, Qaddafi's downfall might just be the necessary factor that will embolden the protesters and offer them a sizeable advantage. This is not naïve or farfetched. After all, it was the plight of Tunisian vendor

close ties with the Egyptian military, which still receives $1.3 billion in American aid each year. American officials hope that whatever government emerges will continue to support American policy, including maintaining ties with Israel and distance from Iran.

At the same time, the United States' standing in public opinion in Egypt and around the region continues to suffer because of decades of support for undemocratic governments like the military-backed system that controlled Egypt under Mr. Mubarak. Remaining aloof from the debate over the military's future role here risks reinforcing those criticisms at a time when democratic changes are giving public opinion new weight.

As part of its broader outreach, the Obama administration has also met with the Muslim Brotherhood, the Islamist group whose political party is poised to win a major role in the country's new Parliament and remains the biggest political counterweight to the military council.

Jacob Walles, a deputy assistant secretary of state, met for the first time this week with the leaders of the Brotherhood's newly formed Freedom and Justice Party at its new headquarters in Cairo. While American diplomats have had intermittent contacts for years with Brotherhood lawmakers in the Egyptian Parliament, officials here said Mr. Walles's meeting appeared to underscore Mrs. Clinton's pledges to cooperate with Islamist parties that respect democracy. Others said it might instead have been a sign that Washington simply realized that the Brotherhood was certain to play a crucial role in Egypt's future and was likely to win a large bloc of seats in the parliamentary elections that begin this month.

"They confirmed that they are keen to support the democratic process, and they will accept any results of the elections and deal with any government that respects human rights and the rights of women and minorities and the democratic process," said Essam el-

the whole of Syria is demanding change. The largest cities of Aleppo and Damascus remain relatively calm, while opinion in western capitals is led by reports generated via opposition movements, often using social media of questionable reliability. The army has committed many atrocities but hundreds of its members appear to have been killed, too. In the absence of international media, it is debatable whether the protesters are altogether peaceful.

Already, calls for military intervention are being made by Syrian opposition activists in meetings at the White House and US state department. Yet such movements have led us astray before, as when politicians such as Ahmed Chalabi misled the US about realities in Iraq. In truth, Mr Assad's regime is much less likely to fall than that of Muammer Gaddafi: there have been no high-profile political or military defections, while Mr Assad remains relatively popular among senior military commanders, Syrian mosque clerics, the middle classes and business leaders.

This brings us back to the "then what" question. The numbers being killed now will wither in comparison with a possible future civil war, if an increasingly sectarian Syria splinters between the ruling Alawites, the elite and urban Christians, the majority Sunnis, the Kurds, Druze and others. There is no civil society to engineer a peaceful transition, while Syria could plausibly become another Lebanon, acting as a proxy battleground for regional powers.

This risk partly explains why Syria's ally Turkey has exerted such effort to rein in the slaughter, and why Saudi Arabia, Russia and China have not joined America's lead. They all want to give Mr Assad more time – because they recognise the thin chance of getting rid of him, and because they fear the violence that would follow if he did fall.

Almost 90 per cent of Syria's crude oil exports go to European countries. Almost $3bn of its annual trade is conducted with Turkey.

studied math since I was 14 (such is, or was, the way of the British educational system), I received a package at home via messenger. It was a book: "Math for idiots."

So he is not without humor, even though he doesn't drink or smoke, and hates restaurants.

"Jeffrey knows a good deal about most subjects," newspaper publisher Mort Zuckerman told me last week. He was certainly preaching to the converted. The truth is, Epstein *does* know a lot about a lot of things. Just a few moments in his company and you know this to be true.

When I saw pictures of Prince Andrew walking in Central Park with Jeffrey, my immediate thought was that "Andy"—as Jeffrey calls him—is probably asking for help with his role as British trade envoy, or whatever his strange title is. Because if one thing's for sure: When it comes to international business, Jeffrey knows what he's talking about far more than "Andy" does. Which is why Leon Black, Mort Zuckerman and a few other financiers hang out with him.

And Ghislaine?

Full disclosure: I like her. Most people in New York do. It's almost impossible not to.

She is always the most interesting, the most vivacious, the most unusual person in any room. I've spent hours talking to her about the third world at a bar until 2am. She is as passionate as she is knowledgeable. She is curious. She has spent weeks at the bottom of the ocean, literally going deeper than anyone else. She has sent me a DVD of the fish there. Her rolodex would blow away almost anyone else's I can think of—probably even Rupert Murdochs'. She is very well-read and can talk about most things for hours. She is passionate about Bill Clinton with whom she is close friends.

Yet, touchingly, when she had to give a speech at the 40th birthday party of her best friend, Ariadne Calvo-Platero, (known fondly to her close friends as "the Tennis Goddess") Ghislaine shook a little with nerves. When it comes down to things she really cares about—and Ariadne is one of them—Ghislaine shows her vulnerability. And that vulnerability is key to understanding her friendship with Jeffrey.

"He saved her," I remember a close friend of mine telling me. "When her father died, she was a wreck; inconsolable. And then Jeffrey took her in. She's never forgotten that—and never will."

In many ways, the socially awkward Epstein with his big house, plane, island and ranch was the perfect replacement for her father, the late Robert Maxwell, newspaper tycoon and criminal. Sure, Jeffrey had his sexual pecadillos, but then Ghislaine's father was not without his oddities. After all, it was he who died leaving a massive "black hole" he'd fraudulently created. To Ghislaine, Jeffrey's habits may not have seemed that strange.

In fact, she probably figured, rather like I have, after years of writing about he very rich, that most successful people in the end either have some weird habit (the late Bruce Wasserstein had the weight issues, the girl issues, and moved countries to avoid paying tax), or they break the law (Sam Waksal, Martha Stewart.) You don't tend to get to the top by being the world's most balanced human being. Even the folksy Warren Buffett didn't quite manage a normal life—whatever that is. He had a second "wife" for many years whose existence he has been open about.

So what to make of the current fuss over Ghislaine? I haven't spoken to her or to Jeffrey, but I suspect that her loyalty to friends like Bill Clinton will keep her in good stead, in the end, she'll be out and about as always. Look at Waksal and Stewart. No one sees them and thinks: criminal. Au contraire. In this city, money makes up for all sorts of blemishes.

On Tue, Mar 8, 2011 at 6:10 AM, <[redacted]> wrote:

> Thanks.

alternative positions, have, for the first time in decades, put those who reject objectivism in ethics on the defensive.

On What Matters is a book of daunting length: two large volumes, totaling more than 1,400 pages, of densely argued text. But the core of the argument comes in the first 400 pages, which is not an insurmountable challenge for the intellectually curious – particularly given that Parfit, in the best tradition of English-language philosophy, always strives for lucidity, never using obscure words where simple ones will do. Each sentence is straightforward, the argument is clear, and Parfit often uses vivid examples to make his points. Thus, the book is an intellectual treat for anyone who wants to understand not so much "what matters" as whether anything really can matter, in an objective sense.

Many people assume that rationality is always instrumental: reason can tell us only how to get what we want, but our basic wants and desires are beyond the scope of reasoning. Not so, Parfit argues. Just as we can grasp the truth that 1 + 1 = 2, so we can see that I have a reason to avoid suffering agony at some future time, regardless of whether I now care about, or have desires about, whether I will suffer agony at that time. We can also have reasons (though not always conclusive reasons) to prevent others from suffering agony. Such self-evident normative truths provide the basis for Parfit's defense of objectivity in ethics.

One major argument against objectivism in ethics is that people disagree deeply about right and wrong, and this disagreement extends to philosophers who cannot be accused of being ignorant or confused. If great thinkers like Immanuel Kant and Jeremy Bentham disagree about what we ought to do, can there really be an objectively true answer to that question?

Parfit's response to this line of argument leads him to make a claim that is perhaps even bolder than his defense of objectivism in ethics.

Mubarak family's attempt to turn Egypt into a family possession. The Army has ruled Egypt since the overthrow of King Farouk, playing liberals and religious conservatives off against each other. It looks set to go on doing that for some time to come. In Yemen, Bahrain and Syria, the counsel of the idealists seems dark and confused. US policy overall seems to have found the 'sour spot' that is the particular curse of the Obama administration: too friendly to the revolt to earn the trust and gratitude of the despots, too cautious and compromising to win many friends on the street.

Overall I am more cautious than optimistic about where the Arab Spring is headed. There is little prospect for the kind of rapid economic growth that could improve the prospects for young unemployed and underemployed Arabs. Foreign investment and tourism have already been badly hit by the unrest of the last six months, and the Arab regimes are turning to aid donors and organizations like the IMF and the World Bank in increasing desperation.

Culturally, many of the necessary preconditions are not in place. The poor quality of most Arab universities, the limited access to serious political history and discourse among all but a handful of Arab intellectuals, the suppression of political life under past dictatorships, the weakness of Islamic political thought in recent centuries and the absence of a robust and deeply rooted tradition of Islamic democracy all work against the rapid widespread development of stable liberal democracy in the Arab world.

Putting the dark economic outlook together with the problematic cultural and political situation makes optimism a tough position to hold. Without in any way scanting or minimizing the idealism, dedication and vision of the democrats rising in the Arab world today, they still seem a long way from winning. They remind me still of the Marquis de Lafayette during the French Revolution: they

and the support for SCAF is related to that." SCAF is the Supreme Council of the Armed Forces, Egypt's ruling military council.
Secretary of State Hillary Rodham Clinton underscored the shift in a speech last week that her aides later said was a deliberate warning to the military council, which assumed power after President Hosni Mubarak's ouster. The military had initially pledged to hand over control to civilians by September, but it now says that a presidential election will not occur before 2013. And last week it laid out a blueprint for the next constitution, giving the military special political powers and protection from civilian oversight into perpetuity.
"If, over time, the most powerful political force in Egypt remains a roomful of unelected officials, they will have planted the seeds for future unrest, and Egyptians will have missed a historic opportunity," Mrs. Clinton warned.
"When unelected authorities say they want to be out of the business of governing," the United States expects them "to lay out a clear road map" and "abide by it," she added.
Given Washington's long support for Mr. Mubarak, and Mrs. Clinton's comment last month approving of the military's extended timetable for electing a civilian president, there was suspicion over Washington's intentions. The shift occurred at the same time as a broader effort by the Obama administration to counter anti-American sentiment and reach out to opposition leaders across the political spectrum.
The United States "wants to have the cake and eat it, too," said Nabil Fahmy, a former Egyptian ambassador to Washington, arguing that the United States wants to promote democracy without dealing with the pressure it would put on American interests in the region.
The military's attempts to protect its power and privileges indefinitely have created an awkward situation for Washington. The United States, through the Pentagon in particular, has long nurtured

accurate description for Gates may be "steady hand on the wheel," says the Foreign Policy Research Institute's Michael Noonan.
"I don't think [Gates's] accomplishments merit the sky-high reputation that he enjoys as he leaves office," former senior CIA analyst Paul Pillar says. "Gates has long had a knack for nurturing his own reputation."
Pillar recalls that Gates during his CIA days was "always saying, 'I'm going to whip this organization into shape.' Anything good that happens, it's because 'I'm head of the organization.' Anything bad can be attributed to 'institutional resistance.'"
When Gates took over the Pentagon in December 2006, he quickly demonstrated the diplomatic and political acumen he had acquired as he worked his way up through the intelligence community as the first career officer to become CIA director.
Take, for instance, his decision to court Hillary Clinton when she took over as secretary of state in 2009. One of the few senior Bush holdovers in the new Obama administration, Gates was keenly aware of the tensions between the State and Defense departments built up during the war in Iraq. He invited Clinton to his Pentagon office, and the two ate lunch at a table that belonged to Confederate President Jefferson Davis back when he was U.S. secretary of war.
"I just told her, based on my experience, that how well the administration worked would depend a lot on how well she and I got along together," Gates recalls. "If we got along, the message would go to the entire bureaucracy--not just our own bureaucracies but the rest of government as well. She totally understood."
Gates made a calculated--and more public--courtship of her entire agency. "I read in the press, and therefore it must be true, that no secretary of defense had ever been quoted as arguing for a bigger budget for State," Gates boasts now. The strategy worked. Clinton and Gates try to get together privatelyonce a week to work out

European stock and bond markets are already treating that as an ever-more-realistic possibility, shunning even moderate levels of risk and pushing interest rates to unsustainable levels. As far as they can see, Mrs. Merkel and her fellow euro-zone leaders haven't come up with an adequate plan, sufficient political will or sufficient cash to halt the contagion. As far as we can see, they are right.

The political changes at the top of Greece and Italy are promising. Greece's new prime minister, Lucas Papademos, and Mario Monti of Italy are internationally credible economists, committed to making painful but much needed reforms, including liberalizing labor markets, shrinking overgrown bureaucracies, shedding state properties and rooting out corruption.

Given their training, they surely understand that their economies are not now strong enough to absorb more austerity, including broad new taxes or further sweeping service cuts. Mr. Papademos and Mr. Monti should press their fellow European leaders for a new and better deal.

Even with the best leadership, neither Greece nor Italy will be able, on their own, to restore their fiscal health and help slow the spreading financial contagion. That will require substantial and immediate help from their euro-zone partners, starting with Mrs. Merkel.

An all-out effort by the European Central Bank to buy bonds, lower interest rates and inject new liquidity into the markets may still calm the contagion if it begins in the next few days. The bank's new president, Mario Draghi, may be willing to play this role, if Germany stops standing in the way.

Mrs. Merkel must make clear that she will support the central bank taking on this expanded role. And now that new, credible leaders are in office in Athens and Rome, she and other euro-zone leaders need to meet with them and negotiate more growth-friendly reform packages. There is very little time left to avoid financial catastrophe.

The strain was noticeable in the Middle East. In a recent interview with Newsweek, one senior Israeli official said Mitchell often would say one thing about the direction the U.S. was taking with the two sides, only to be contradicted by Dennis Ross, Clinton's special adviser to the region. The official, who did not want to be quoted by name, said it seemed as if Mitchell had abdicated his role completely in recent months. Indeed, Mitchell's frequent visits to Israel and the West Bank slowed to a trickle; his last visit to the region was in December.

When he was there, officials on both sides of the conflict had voiced bewilderment at Mitchell's hands-off approach to the complex negotiating process. With a small staff in Israel, he would shuttle between Jerusalem and Ramallah to meet with senior advisers to the leaders of both sides and then leave after just a few days. In an interview with Newsweek last month, Palestinian President Mahmoud Abbas openly accused Mitchell of not doing his job. "Every visit by Mitchell, we talked to him and gave him some ideas," he said. "At the end we discovered that he didn't convey any of these ideas to the Israelis. What does it mean?"

A politically attuned man who was once Senate Majority Leader, Mitchell was aware of the complaints about him. His usual comeback was to point to his success in Northern Ireland, which earned him the Presidential Medal of Freedom. For hundreds of days, he liked to say, he was considered a failure, until the final day, when he actually got it done.

Mitchell's resignation letter set off a small panic inside the West Wing earlier in the week. Senior advisers, as well as Obama himself, could sense the increasing difficulty of the job: Administration officials had been unable to convince Israel to halve new settlements in the West Bank, alienating Palestinians, and Israelis were irked in early May when Abbas allied with Hamas, a group that refuses to

on the verge of producing a nuclear weapon or acquiring the "breakout capacity" to make one, but never, despite the dire warning of Israeli leaders dating back to the 1990s, doing either, preferring to dwell in the Islamic Republic's favored zones: ambivalence and inertia. As one awaits this tortuous Godot, one might recall a forecast of a bomb by 1999 (Shimon Peres) or 2004 (Ehud Barak), or Prime Minister Benjamin Netanyahu's talk of "a messianic apocalyptic cult controlling atomic bombs," or my friend Jeffrey Goldberg's allusion in The Atlantic last year to a "consensus" that there is "a better than 50 percent chance that Israel will launch a strike by next July." That would be next month.

It might also be worth recalling that Meir Dagan, the former head of Israel's Mossad spy agency, declared last month that attacking Iran would be "a stupid idea." He suggested his main worry was not Iran itself but Netanyahu's susceptibility to "dangerous adventure." Dagan's concerns have surfaced as Seymour Hersh concludes in a New Yorker article this month that, as he put it in one interview, "There's just no serious evidence inside that Iran is actually doing anything to make a nuclear weapon."

His reporting reveals that the U.S. National Intelligence Estimate (N.I.E.) of 2007 — which concluded "with high confidence" that Iran had halted a nuclear-weapons program in 2003 — still pertains in the classified N.I.E. of 2011. As a retired senior intelligence official put it to Hersh, there's nothing "substantially new" that "leads to a bomb."

In other words, Iran, epicenter of inefficiency, unable to produce a kilowatt of electricity through its Bushehr nuclear reactor despite decades of effort, is still doing its old brinkmanship number. Remember, Ali Khamenei, the supreme leader, is the guardian of the revolution. That is a conservative business. Breakout, let alone a bomb, is a bridge too far if the Islamic Republic is what you've

educated and potentially high-achieving population that is trapped with no horizon. Pressure needs to be maintained to end the siege entirely, they say, and talk of improvement is counterproductive.
The recent changes stem from a combination of Israeli policy shifts and the chaos in Egypt. The new Egyptian border policy has made little difference, but Egypt's revolution and its reduced policing in the Sinai have had a profound effect.
For the past year, Israel has allowed most everything into Gaza but cement, steel and other construction material — other than for internationally supervised projects — because they are worried that such supplies can be used by Hamas for bunkers and bombs. A number of international projects are proceeding, but there is an urgent need for housing, street paving, schools, factories and public works projects, all under Hamas or the private sector, and Israel's policy bans access to the goods to move those forward.
So in recent months, tunnels under the southern border that were used to bring in consumer goods have become almost fully devoted to smuggling in building materials.
Sacks of cement and piles of gravel, Turkish in origin and bought legally in Egypt, are smuggled through the hundreds of tunnels in double shifts, day and night, totaling some 3,000 tons a day. Since the overthrow of President Hosni Mubarak, the Egyptian security authorities no longer stop the smugglers. Streets are being paved and buildings constructed.
"Mubarak was crushing us before," said Mahmoud Mohammad, a subcontractor whose 10-man crew in Gaza City was unloading steel bars that were carried through the tunnels and were destined for a new restaurant. "Last year we were sitting at home. The contractor I work for has three major projects going."
Nearby, Amer Selmi was supervising the building of a three-story, $2 million wedding hall. Most of his materials come from the tunnels.

Article 1.

The National Interest

# Which Road Will Egypt Take?

Kathryn Alexeeff

May 19, 2014 -- With Abdul Fattah al-Sisi's official resignation from the military and bid for the presidency, the future of Egypt looks murky at best. While his victory is highly likely, the question remains—down which path will he take Egypt? Al-Sisi's support for the anti-Morsi protesters may indicate support for the democratization of Egypt and the will of the people. On the other hand, his bid looks like a giant leap backwards for Egypt, a return to a military dictatorship. Egypt has several potential paths forward under an al-Sisi government, none of which are ideal. Unfortunately, Egypt appears to be justifying analysts' worst fears and will likely return to a Mubarak-style military autocracy under al-Sisi.

The first option is a military government that enacts economic and political reforms that improve the lives of the citizenry, not just the military or the elites. This will lead to a slower evolution toward democracy. On the plus side, slower evolution under a stable government would allow structural changes to take root, fostering effective institutions and greater stability. The negative side is that evolution of this sort would be neither smooth nor straightforward. It would come in fits and spurts, punctuated by returns to oppression and violence. It would also be extremely slow, and easy for a demagogue to reverse. Unfortunately, given Egypt's current situation, option one is highly unlikely. Given the high levels of repression and violence, the only reforms the government will likely enact would involve greater centralized power in its hands. Furthermore, there are a myriad of ways for a government to pay lip service to democratization without actually decreasing its power. Another option is that Egypt becomes stuck in a proverbial time loop—repeating the revolution every year or two when the government fails to deliver on

is rare, is rarely coordinated and usually is not designed to be a mortal blow. It is defeated by Israel's strategic advantage of interior lines.

Israeli Geography and the Convergence Zone

Therefore, it is not surprising that Israel's first incarnation lasted as long as it did — some five centuries. What is interesting and what must be considered is why Israel (now considered as the northern kingdom) was defeated by the Assyrians and Judea, then defeated by Babylon. To understand this, we need to consider the broader geography of Israel's location.

Israel is located on the eastern shore of the Mediterranean Sea, on the Levant. As we have seen, when Israel is intact, it will tend to be the dominant power in the Levant. Therefore, Israeli resources must generally be dedicated for land warfare, leaving little over for naval warfare. In general, although Israel had excellent harbors and access to wood for shipbuilding, it never was a major Mediterranean naval power. It never projected power into the sea. The area to the north of Israel has always been a maritime power, but Israel, the area south of Mount Hermon, was always forced to be a land power.

The Levant in general and Israel in particular has always been a magnet for great powers. No Mediterranean empire could be fully secure unless it controlled the Levant. Whether it was Rome or Carthage, a Mediterranean empire that wanted to control both the northern and southern littorals needed to anchor its eastern flank on the Levant. For one thing, without the Levant, a Mediterranean power would be entirely dependent on sea lanes for controlling the other shore. Moving troops solely by sea creates transport limitations and logistical problems. It also leaves imperial lines vulnerable to interdiction — sometimes merely from pirates, a problem that plagued Rome's sea transport. A land bridge, or a land bridge with minimal water crossings that can be easily defended, is a vital

There is another problem with realism. Like it or not, the United States is a revolutionary power. Whether our government is trying to overthrow foreign dictators is almost irrelevant; American society is the most revolutionary force on the planet. The Internet is more subversive than the CIA in its prime. The dynamism of American society is constantly creating new businesses, new technologies, new ideas and new social models. These innovations travel, and they make trouble when they do. Saudi conservatives know that whatever geopolitical arrangements the Saudi princes make with the American government, the American people are busily undermining the core principles of Saudi society. It's not just our NGOs educating Saudi women and civil society activists; it's not just the impact of American college life on the rising generation of the Saudi elite. We change the world even when we aren't thinking anything about global revolution — when Hollywood and rap musicians are just trying to make a buck, they are stoking the fires of change around the world.

A revolutionary nation cannot make a conservative foreign policy work for long. In the 1820s and 1830s Washington tried to reassure the Mexican government that it had no hostile designs against Mexican territory. But the American people were moving into Texas and the US government couldn't stop that movement or blunt the threat to Mexico if it tried. In the same way today, the economic and political activity of individual Americans and American companies is changing the world in ways that make life much harder for governments in countries like Russia, China and Saudi Arabia. We can press all the reset buttons with Russia that we want, but the Russian government will still notice that both US society and sometimes the government are actively working to help foreign subversives overthrow repressive regimes.

Feckless Idealists

Palestinians; and 20,000 Islamists killed in 1982 by the elder al-Assad in Hama. The World Health Organization's estimate of Osama bin Laden's carnage in Iraq was already 150,000 a few years earlier. In a 2007 research, Gunnar Heinsohn from the University of Bremen and Daniel Pipes, director of the Middle East Forum, found out that some 11 million Muslims have been violently killed since 1948, of which 35,000, (0.3 percent) died during the six years of Arab war against Israel, or one out of every 315 fatalities. In contrast, over 90 percent who perished were killed by fellow Muslims. According to Mssrs. Heinsohn and Pipes, the grisly inventory finds the total number of deaths in conflicts all over the world since 1950 numbering around 85 million. Of that, the Muslim Arab deaths in the Arab-Israeli conflict were at 46,000 including 11,000 during Israel's war of independence. That makes 0.05 percent of all deaths in all conflicts, or 0.4 percent of all Arab deaths in the Arab-Israeli conflict. In another calculation ignoring "small" massacres like the one that goes on in Syria and other deaths during the Arab Spring, only Saddam's Iraq, Jordan, the elder al-Assad's Syria, Iran-Iraq war, the bin Laden campaign in Iraq, the Iranian Islamic revolution and the Turkish-Kurdish conflict caused 1.65 million Muslim deaths by Muslims compared to less than 50,000 deaths in the Arab-Israeli conflict since 1950, including fatalities during and after Operation Cast Lead which came after the Heinsohn-Pipes study. For those who don't have a calculator ready at their desks, allow me to tell: 50,000 is three percent of 1.65 million. Golda Meir, the fourth prime minister of Israel, or rather the "Mother of Israel," had a perfectly realistic point when she said that peace in the Middle East would only be possible "when Arabs love their children more than they hate us."

*Burak Bekdil is an Ankara-based freelance journalist.*

Incident 5:

- This incident allegedly occurred on in May 2011 on a CFI cruise. We understand that CFI staff were informed that you had propositioned a female cruise-goer, who rejected an invitation to join you and your female companion for sex in your cabin.
- At least two CFI staffers were sufficiently concerned about reports of your behavior that they urged CFI's president not to invite you on a 2014 cruise of the Galápagos Islands. You were invited on that cruise, however.

Incident 6:

- During a visit to Melbourne, Australia, in November 2016, you were accused of sexual misconduct once again.
- The incident happened at a dinner held at the Melbourne Zoo as part of the Australian Skeptics National Convention, where you were a featured speaker.
- With conference delegates chatting over drinks, a woman asked you for a celebrity selfie.
- As the woman held out her phone to take the picture, you reached over her shoulder and grabbed her right breast.
- She immediately reacted, bodychecking you and spinning around. "Don't do that," she said.
- BuzzFeed News has seen the complaint made by another woman to ASU, ANU, and the New College of the Humanities in London, including the selfie, her face obscured to conceal her identity. It shows your hand in motion as a blur in front of her shoulder, apparently moving toward her chest. Two other eyewitnesses have confirmed the complainant's account of what happened.
- In April 2017, the complainant described the incident on her blog. After hearing more about your reputation for inappropriate behavior from blog readers, she decided to file a complaint about the Nov. 2016 incident.
- On July 16, she filed formal complaints with Arizona State University, and with the Australian National University in Canberra and the New College of the Humanities in London, where you have visiting appointments.
- Both Arizona State and the Australian National University told her they would look into the matter. But neither university found against you.
- "Based on the material available to the University, we do not have sufficient evidence to substantiate the allegations," Kiaran Kirk, dean of the College of Science at the Australian National University, wrote to her.
- Erin Ellison, who heads Arizona State's Office of Equity & Inclusion, wrote to her explaining that an inquiry "did not find a violation of university policy."
- In October, Arizona State denied a request from BuzzFeed News for documents relating to complaints of sexual harassment against you. However, Cynthia Jewett, the university's senior associate general counsel, noted that **two** individuals, neither affiliated with the university, had complained about you. "The University did not find either communication to state a credible allegation," Jewett wrote.

Miscellaneous facts:

- In 2008, you founded the Origins Project at Arizona State University in Tempe, a multidisciplinary effort to understand the origins of the universe, life, and social systems. You have led that effort ever since.
- Thanks to best-selling books like *The Physics of Star Trek* and *A Universe From Nothing*, frequent essays in publications including the New Yorker and the New York Times, and the documentary you made with biologist Richard Dawkins, called *The Unbelievers*, you are celebrated as one of America's leading public intellectuals.
- You served on the science policy committee for Barack Obama's 2008 presidential campaign and are a vocal critic of President Donald Trump.

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Soviet Union. Likewise, while the nationalism of America's principal rival, China, has become more assertive lately, the communist regime's clear priority – indeed, the key to its stability – is domestic economic growth.

Indeed, the only obvious danger that the US faces stems from weapons of mass destruction, which could proliferate or be used by terrorist groups. But confronting this threat does not require a massive military budget or huge deployments of US troops all over the world. America has a much-needed opportunity to refocus on itself – to recover its inner strength without withdrawing from the world. As Richard Haass, the president of the Council on Foreign Relations, puts it, America must enter a period of "restoration" of its fundamentals.

American foreign policy starts at home, and that means reining in budget deficits over the long term, reviving economic growth and job creation in the short term, and addressing the country's deteriorating infrastructure. Indeed, America's "aged modernity" has become a drag on its competitiveness, as well as an insult to its international image and a risk to the safety of its citizens.

Moreover, imperial fatigue has set in. Recent US history has been characterized by cycles of enthusiasm about foreign engagement. In the mid-1970's, following the war in Vietnam, America, guided by President Jimmy Carter's moralizing impulse, opted for "regionalization" of its engagements. But, given that the Soviet threat still existed, this effort came too early (and probably was carried out in the wrong manner).

Today, by contrast, the starting point for a reassessment of American priorities is more economic than ethical. But the reasoning is the same, for it is based on the conviction that more America in the world today implies less costly and confused interventionism tomorrow. That means that US foreign policy itself – defined in recent years by

must make room for the equality of the sexes and the rights of religious minorities. Property rights must be rooted in law and protected by an independent judicial system. While governments have a role in the economy, the mechanisms of the market must ultimately be allowed to work their way.

We do not agree among ourselves about the proper sequence of these changes. We know that in the short run, democratic voting procedures may not produce liberal governments. We know that demagogues and aspiring despots can use the language and even the mechanisms of democracy to build personal dictatorships (Napoleon III and Hugo Chavez, for example). We know that popular opinion is sometimes more nationalistic than elite opinion and that gains for democracy do not always lead to more foreign policy cooperation. In most cases, progress toward stable and peaceful democratic government comes slowly if it comes at all; even if you believe in 'democratic peace theory, hoping that the democratization of other countries will solve American foreign policy problems is a fool's game.

Yet we also know — or at least we believe — that in the long run a more democratic world is a better if not always a safer world, and that it would be immoral as well as impractical to stand in the way of the changes that need to come.

If we add the conservative mission of the United States to the revolutionary agenda, the problems of American foreign policy become more complex still. We are trying to carry out a vast reordering of global society even as we preserve the stability of the international political order: we are trying to walk blindfolded on a tightrope across Niagara Falls — while changing our clothes.

The uncertainties and risks that surround us should not be underestimated. There has never been a worldwide revolution of this kind before; nobody knows for sure how best to speed the plow.

fourth century B.C., when Greece overran the Persian Empire and Israel, and again in the first century B.C., when the Romans conquered the region.

The second manifestation saw Israel as a small actor within the framework of larger imperial powers, a situation that lasted until the destruction of the Jewish vassal state by the Romans.

Israel's third manifestation began in 1948, following (as in the other cases) an ingathering of t least some of the Jews who had been dispersed after conquests. Israel's founding takes place in the context of the decline and fall of the British Empire and must, at least in part, be understood as part of British imperial history.

During its first 50 years, Israel plays a pivotal role in the confrontation of the United States and the Soviet Union and, in some senses, is hostage to the dynamics of these two countries. In other words, like the first two manifestations of Israel, the third finds Israel continually struggling among independence, internal tension and imperial ambition.

Israeli Geography and Borderlands

At its height, under King David, Israel extended from the Sinai to the Euphrates, encompassing Damascus. It occupied some, but relatively little, of the coastal region, an area beginning at what today is Haifa and running south to Jaffa, just north of today's Tel Aviv. The coastal area to the north was held by Phoenicia, the area to the south by Philistines. It is essential to understand that Israel's size and shape shifted over time. For example, Judah under the Hasmoneans did not include the Negev but did include the Golan. The general locale of Israel is fixed. Its precise borders have never been.

Thus, it is perhaps better to begin with what never was part of Israel. Israel never included the Sinai Peninsula. Along the coast, it never stretched much farther north than the Litani River in today's Lebanon. Apart from David's extreme extension (and fairly tenuous control) to

have canceled elective surgery for lack of supplies. Electricity remains maddeningly irregular. The much-publicized opening of the Egyptian border has fizzled, so people remain trapped here. The number of residents living on less than $1.60 a day has tripled in four years. Three-quarters of the population rely on food aid.

Areas with as contested a history as this one can choose among anniversaries to commemorate. It has been four years since Hamas took over, prompting Israel and Egypt to impose a blockade on people and most goods. It is a year since a Turkish flotilla challenged the siege and Israeli commandos killed nine activists aboard the ships, leading to international outrage and an easing of conditions. And it is five years since an Israeli soldier, Staff Sgt. Gilad Shalit, was abducted and held in captivity without even visits from the Red Cross.

In assessing the condition of the 1.6 million people who live in Gaza, there are issues of where to draw the baseline and — often — what motivates the discussion. It has never been among the world's poorest places. There is near universal literacy and relatively low infant mortality, and health conditions remain better than across much of the developing world.

"We have 100 percent vaccination; no polio, measles, diphtheria or AIDS," said Mahmoud Daher, a World Health Organization official here. "We've never had a cholera outbreak."

The Israeli government and its defenders use such data to portray Gaza as doing just fine and Israeli policy as humane and appropriate: no flotillas need set sail.

Israel's critics say the fact that the conditions in Gaza do not rival the problems in sub-Saharan Africa only makes the political and human rights crisis here all the more tragic — and solvable. Israel, they note, still controls access to sea, air and most land routes, and its security policies have consciously strangled development opportunities for an

government issued a formal protest and advised Turks against travel to Syria, a reversal of its proud open-borders policy.
Turkey also appears motivated by a desire to keep ahead of evolving Arab opinion. "It can comfortably be said, in light of recent developments, that the countdown to the end of Syria's Assad regime has begun," said Today's Zaman columnist Bülent Kenes, reflecting official opinion.
With senior Saudi officials and King Abdullah of Jordan openly backing the revolt, and the violence escalating, Erdogan and his foreign minister, Ahmet Davutoglu, who have long harboured regional leadership ambitions, seem to be positioning themselves for a post-Assad future.
In this push towards the Syrian endgame they plainly have the enthusiastic backing of the US, for whom they are effectively acting as a local proxy in opposition to external actors such as the pro-regime Russia. Given Erdogan's sharp differences with Washington over Israel-Palestine and the Iraq war, this coincidence of view is not lacking in irony. "We very much welcome the strong stance that Turkey has taken and believe it sends a critical message to President Assad that … he should step down," said Ben Rhodes, Barack Obama's deputy national security adviser.
In a series of statements, Davutoglu has insisted it is "no longer possible to trust the Syrian government". Adding provocation to insult, he underscored Ankara's support for the protesters and specifically for the Syrian National Council, an opposition umbrella group based in Turkey that is seeking recognition from Ankara. "We will continue to take our place at the side of the Syrian people's rightful struggle," Davutoglu said.
As bilateral tensions rise, suggestions that Turkey may physically intervene in northern Syria to create a safe haven for civilians displaced by the violence are likely to resurface. Several thousand

If the problem continues and escalates further in the Syrian street it is probable that the prefabricated facility in the Hatay province constructed to provide temporary lodging to pilgrims during the Hajj season will not suffice in providing a shelter to Syrian refugees who thanks to the no-visa regime in travel between Turkey and Syria may freely escape to Turkey from the trouble in their own street and thus carry the problem to the Turkish street.

For now the separatist Kurdistan Workers' Party, or PKK, terrorists are abiding with an unilateral truce, which is claimed to have been negotiated with the government by Abdullah Öcalan, the chieftain of the gang serving an enforced life term on the İmralı island prison, which according to claims will last until June 15, three days after the June 12 parliamentary elections. Indeed, excluding some rehearsal for a possible mass civilian disobedience campaign after the elections and some exceptional terrorist acts, it might be said that there is nothing extraordinary in Turkey's southeast bordering Syria, Iraq and Iran, where there are sizeable Kurdish populations.

The "success" of the unrest in Syrian streets in uprooting the government might mean added trouble for Turkey, which has been battling with separatist terrorism for the past 25 years. Turkey remaining silent or supportive of the Assad regime crushing the pressure for a regime change and reform calls of the Syrian street, on the other hand, would seriously imperil the regional role aspired by the AKP governance of Turkey.

Indeed, while the AKP government in Ankara joined the calls of the U.S.-led coalition of the willing that time is up for Moammar Gadhafi in Libya and for peace and safety of his own people Gadhafi must step down, as regards to Syria Ankara, as well as the Western alliance, has been restraining their calls with a shy request from Assad to accelerate reforms.

make Turkey one of the world's 10 biggest economies (it is now 17th). This will only be possible if the Middle East is peaceful and open for business.

Besides dealing with upheaval in the Arab world, Turkey faces three other key foreign policy challenges. First is the continuing division of Cyprus between ethnic Greek and Turkish sectors. Second is the frozen conflict with Armenia, which seemed to be on the brink of resolution until Turkish and Armenian nationalists killed a promising agreement reached by both countries two years ago. Erdogan's new mandate gives him the power to overrule militants in his ranks. If he does, and if Armenian leaders can do the same, the entire region will benefit.

Third is to rebuild relations with Israel. Erdogan has become a hero in the Middle East for his forthright denunciations of Israel's occupation of the West Bank and its blockade of Gaza. Like many Turks, he is still enraged over the murder of nine Turkish civilians by Israeli commandos who stormed a freighter bearing relief supplies for Gaza last year. His anger may be justified by the facts, but he should realize that a resumption of Turkey's good ties to Israel could be a decisive step toward Middle East peace.

Foreign policy challenges are only part of Erdogan's post-election agenda. He also needs to deepen Turkish democracy. That would require resolving the decades-old Kurdish conflict and taking concrete steps to reassure secular Turks that their country is not moving toward religious rule.

Turkey's grand project in the next couple of years will be writing a new constitution to replace the one imposed by generals three decades ago. Erdogan wants to replace the current parliamentary system with one built around a strong president and then run for the presidency himself. His party did not win enough seats in Parliament to impose a constitution on its own, so if he wants to make such a

action.
The exterior lines of Israel's neighbors prevented effective, concerted action. Israel's interior lines permitted efficient deployment and redeployment of force. It was not obvious at the time, but in retrospect we can see that once Israel existed, was united and had even limited military force, its survival was guaranteed. That is, so long as no great power was opposed to its existence.
From its founding until the Camp David Accords re-established the Sinai as a buffer with Egypt, Israel's strategic problem was this: So long as Egypt was in the Sinai, Israel's national security requirements outstripped its military capabilities. It could not simultaneously field an army, maintain its civilian economy and produce all the weapons and supplies needed for war. Israel had to align itself with great powers who saw an opportunity to pursue other interests by arming Israel.
Israel's first patron was the Soviet Union — through Czechoslovakia — which supplied weapons before and after 1948 in the hopes of using Israel to gain a foothold in the eastern Mediterranean. Israel, aware of the risks of losing autonomy, also moved into a relationship with a declining great power that was fighting to retain its empire: France. Struggling to hold onto Algeria and in constant tension with Arabs, France saw Israel as a natural ally. And apart from the operation against Suez in 1956, Israel saw in France a patron that was not in a position to reduce Israeli autonomy. However, with the end of the Algerian war and the realignment of France in the Arab world, Israel became a liability to France and, after 1967, Israel lost French patronage.
Israel did not become a serious ally of the Americans until after 1967. Such an alliance was in the American interest. The United States had, as a strategic imperative, the goal of keeping the Soviet navy out of the Mediterranean or, at least, blocking its unfettered access. That

The story concerns your actions towards students while a professor of physics at Case Western Reserve University, as well as your conduct in non-academic settings as a prominent figure in the skeptics movement. I am reporting this story along with two of my colleagues on the science desk, Azeen Ghorayshi and Virginia Hughes.

Our story is about several allegations of sexual misconduct dating from 2006 to 2016 (see full details below). Our reporting also goes into how the various institutions you have been affiliated with — Case Western, Arizona State University, the Australian National University, the New College of the Humanities, and the Center for Inquiry, for which you serve as an honorary member of the board of directors — have handled complaints and concerns about your behavior during this time.

Our story is corroborated by emails, university documents, official complaints, testimony from victims and eyewitnesses, and interviews with more than two dozen of your current and former academic colleagues, students, and peers in the skeptics movement.

I wanted to offer you the opportunity to comment and/or respond to the main facts we plan to publish. If you wish to comment on any of the below findings, we need to hear from you as soon as possible. **We are planning on publishing our story Tuesday morning, Eastern US Time.**

Based on our reporting, this is what we plan to publish:

Incident 1:

- In November of 2006, at an event launching the new Center for Inquiry in Washington D.C., you met a volunteer for CFI D.C.
- At the event, you asked for her business card. Later, you followed her as she was leaving and asked her if she was "of age."
- Later, you emailed her to invite her to dinner.
- You planned to dine with her in the restaurant at the Washington D.C. hotel where you were staying.
- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

- In an incident that occurred in fall of 2007 while you were a physics professor at Case Western Reserve University, a student tried to talk to you about her plans after graduation. You mentioned to her how tough it must be to have all the other physics majors asking her out on dates.
- In a second incident in December of 2007, while you were still at Case Western, the same student visited your office to interview you for a student science journal. You closed the door behind her, and ignored the questions she had prepared. Then you made a casual comment about taking her out for dinner.
- Later, in a regular column for the school paper, she described her experiences with you, without mentioning you by name. "There was even one particular creep of a professor who once told me he thought differently of me compared to other students and asked me to dinner: a situation so disturbing that it left me upset for weeks afterward," she wrote.

Pacific region is also successful," he said. Obama has indefinitely put on hold a campaign promise to renegotiate NAFTA.

**War on terror/detainees:** Obama signed an executive order closing the Guantánamo Bay detention center as one of his first actions as president. The facility remains open, however, largely due to congressional opposition over where to house the remaining prisoners. Obama has put a halt to the "enhanced interrogation techniques" employed by George W. Bush's administration but has enraged some civil liberties advocates by authorizing the extrajudicial killing of alleged al Qaeda terrorist Anwar al-Awlaki, a U.S. citizen. Obama has also disappointed some liberal supporters by resuming military trials of terrorism suspects at Guantánamo.

**Environment:** Despite his stated support for environmental legislation and green energy, there has been little progress on passing major climate-change bills under Obama's watch. Thanks largely to Obama's public intervention, an agreement was reached at the 2009 Copenhagen climate summit, but in failing to impose enforceable emissions targets, the meeting was widely considered a failure. This year, Obama abandoned tough new air-quality rules, adopted early in his administration.

**Russia/reset:** One of the centerpieces of Obama's first-term foreign policy was the effort to "reset" relations with Russia. The president successfully negotiated the New START nuclear reduction treaty, though there have been significant disagreements with both Russia and his GOP opponents over the contours of missile defense. Human rights advocates have criticized the president for ignoring the erosion of Russian democracy. Russia has also continued to stymie U.S. efforts to impose tough international sanctions on Iran and Syria. Obama seemed to have made friends with President Dmitry

The story concerns your actions towards students while a professor of physics at Case Western Reserve University, as well as your conduct in non-academic settings as a prominent figure in the skeptics movement. I am reporting this story along with two of my colleagues on the science desk, Azeen Ghorayshi and Virginia Hughes.

Our story is about several allegations of sexual misconduct dating from 2006 to 2016 (see full details below). Our reporting also goes into how the various institutions you have been affiliated with — Case Western, Arizona State University, the Australian National University, the New College of the Humanities, and the Center for Inquiry, for which you serve as an honorary member of the board of directors — have handled complaints and concerns about your behavior during this time.

Our story is corroborated by emails, university documents, official complaints, testimony from victims and eyewitnesses, and interviews with more than two dozen of your current and former academic colleagues, students, and peers in the skeptics movement.

I wanted to offer you the opportunity to comment and/or respond to the main facts we plan to publish. If you wish to comment on any of the below findings, we need to hear from you as soon as possible. **We are planning on publishing our story Tuesday morning, Eastern US Time.**

Based on our reporting, this is what we plan to publish:

Incident 1:

- In November of 2006, at an event launching the new Center for Inquiry in Washington D.C., you met a volunteer for CFI D.C.
- At the event, you asked for her business card. Later, you followed her as she was leaving and asked her if she was "of age."
- Later, you emailed her to invite her to dinner.
- You planned to dine with her in the restaurant at the Washington D.C. hotel where you were staying.
- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

- In an incident that occurred in fall of 2007 while you were a physics professor at Case Western Reserve University, a student tried to talk to you about her plans after graduation. You mentioned to her how tough it must be to have all the other physics majors asking her out on dates.
- In a second incident in December of 2007, while you were still at Case Western, the same student visited your office to interview you for a student science journal. You closed the door behind her, and ignored the questions she had prepared. Then you made a casual comment about taking her out for dinner.
- Later, in a regular column for the school paper, she described her experiences with you, without mentioning you by name. "There was even one particular creep of a professor who once told me he thought differently of me compared to other students and asked me to dinner: a situation so disturbing that it left me upset for weeks afterward," she wrote.

"The allegations were made by an observer to the incident.
- The complaint did not identify, nor disclose the identity of the conference attendee who was allegedly touched in
an unwelcome manner.
- The conference attendee who took the 'selfie' photo did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
- The conference attendee who witnessed the incident, did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
-The photo submitted as part of the complaint does not provide evidence of any physical contact.
- The complainant alleged that a photo exists, showing your hand on the breast of the conference attendee who took
the 'selfie' photo. This photo was not made available to the Australian National University, although it was requested
in the course of the investigation."

(And for the record I often put my hand up in front of a camera if there is a flash, as I specifically request selfies not to include flashes, so that I don't end up with a series bright spots in front of my eyes for the next half hour. Moreover, I have no idea if the other eyewitnesses you quote, who were not involved in any complaint, were in fact there but this was a formal banquet with individuals and their partners, which I attended long enough to agree to sign things and do selfies before leaving early because I was tired. Even if I had any such intent it would have been lunacy to pose for selfies in front of a group and openly do such a thing, including presumably in front of this person's partner, . Which, besides the fact that I don't do such things, is one of the many reasons it never happened.)

What makes this particular type of allegation so repugnant is that I get asked for literally thousands of selfies, and when people come up to me they are vulnerable, often shaking, or sometimes aggressive. I am particularly proud of the way I work to make all people feel at ease, and respected, rather than humiliated, whatever their behavior or request. Thus, this false claim strikes at the heart of what I am about, which characterizes all my interactions with fans: to acknowledge them in a way that makes them feel appreciated and respected. As I understand you had a reporter watching me sign books and take selfies at the CFI conference in Las Vegas this year, that behavior is what they will have witnessed and should report on. Moreover, I am proud of the interactions I have had at both Case and ASU, with students, colleagues and staff of all genders and ethnicities. I have worked hard to support them, mentor them, and treat them with respect. I treat others as responsible adults, and I expect to be treated equally.

On Dec 10, 2017, at 6:12 PM, Peter Aldhous <[redacted]> wrote:

Dr. Krauss:

As you know, I'm a reporter for BuzzFeed News who has been investigating sexual misconduct allegations against you. As we've already discussed by email, I'd very much like to interview you about these allegations in detail.

In particular, you stated in an email sent on Nov 13 that two universities had investigated an incident (# 6 below). You claimed that "both Universities independently concluded that the report was unsubstantiated and fabricated with malicious intent." We are not aware that either university concluded fabrication or malicious intent, so if you have evidence to support this assertion, we would like to see and discuss it.

Palestinian feelings cut across most, if not all, opposition groups. It is a singular, unifying force that might suffice to break the military's power, or at least to force the military to shift its Israeli policy. Hamas in conflict with Israel as the United Nations votes for a Palestinian state also places Fatah on the political defensive among the Palestinians. Fatah cooperation with Israel while Gaza is at war would undermine Fatah, possibly pushing Fatah to align with Hamas. Having the U.N. vote take place while Gaza is at war, a vote possibly accompanied by General Assembly condemnation of Israel, could redefine the region.

Last week's attack on the Eilat road should be understood in this context. Some are hypothesizing that new Islamist groups forming in the Sinai or Palestinian groups in Gaza operating outside Hamas' control carried out the attack. But while such organizations might formally be separate from Hamas, I find it difficult to believe that Hamas, with an excellent intelligence service inside Gaza and among the Islamist groups in the Sinai, would not at least have known these groups' broad intentions and would not have been in a position to stop them. Just as Fatah created Black September in the 1970s, a group that appeared separate from Fatah but was in fact covertly part of it, the strategy of creating new organizations to take the blame for conflicts is an old tactic both for the Palestinians and throughout the world.

Hamas' ideal attack would offer it plausible deniability - allowing it to argue it did not even know an attack was imminent, much less carry it out - and trigger an Israeli attack on Gaza. Such a scenario casts Israel as the aggressor and Hamas as the victim, permitting Hamas to frame the war to maximum effect in Egypt and among the Palestinians, as well as in the wider Islamic world and in Europe.

**Regional Implications and Israel's Dilemma**

Susan, Jill and me to a restaurant around the corner. Gordon Gekko hosts a hen party talking about children, schools, country houses and vacations.

Back on the set Oliver is shooting the actual dinner. Assistant directors ask for volunteers to dance to the live music. Prince Dimitri twirls and dips Jackie Weld. Kelly Klein, in her own Karl Lagerfeld sheer black organza, watches from a table with scattered champagne glasses half-filled with apple juice along with her 86-year-old father, Tulley Rector. Charlie Sheen leaves for LA and Shia is very annoyed he was not introduced to his hero. Carrie Mulligan, costumed like Audrey Hepburn, chats with us between takes.

The final set up is a long tracking shot of Josh Brolin and his wife as they triumphantly enter the ball. It is close to 9 p.m. and Lord William Astor arrives to pick me up for Amalia Dayan and Adam Lindemann's dinner for artists uptown.

Oliver is introduced to William and delights in calling him Lord as he immediately moves him into the top of the shot and instructs him to tell Eli Wallach, "We must do lunch". Ever the proper English gentleman, William advises Oliver that Lords do not use American slang and improvises his own lines. The tracking shot continues for numerous takes following Josh and Noelle as every VIP extra gets another shot at instant stardom with one-line greetings.

At last, “It’s a wrap” is screamed after 10 p.m. Prince Dimitri tells The Wall Street Journal it was, "a day of electrifying glamour," and “the longest gala of my life. I was in black tie for thirteen hours."

**November 25, Tommy Gun Salon, Ludlow Street, last day of shooting**

Donald Trump is on set at 7 a.m. ready for his close up. He is trying to make a mid-day departure on his jet from Teterboro with wife Melania and son Baron for Thanksgiving weekend in Palm Beach. Back in September, Oliver had invited Donald Trump to dinner at "21" to meet his leading men Josh and Shia so they could observe New York's most charismatic powerbroker in his natural environment.

The scene is London so the grey skies are perfect. Gekko has moved abroad to make his financial comeback. The scene opens on the back of his head in a barber's chair as he watches the financial news on TV. The camera pulls back and Gordon Gekko is finally revealed as the powerful bull he once was in an exquisite suit and signature slicked-back hair. Donald Trump walks into the shop for a cut and the banter begins about the money market. From his chair, Donald leans into Michael and suggests a "comb over" like his famous do. Gekko, with a slight grin, says, "No thanks Donald, I am a gel man."

The crew is yucking it up and Donald feels great. Paparazzi shoot the whole scene with long lenses from across the street. The unit publicist is helpless to keep this under wraps. Donald emerges, poses and gives interviews. Michael comes out, and the press think they have a scoop on the ending. Gekko is back in all his lovable titan splendor. Full-page photos of Michael and Donald run the next day in the tabloids. Never underestimate Oliver Stone’s surprise endings.

Twentieth Century Fox releases "Wall Street 2: The Money Never Sleeps" on April 23rd and it's got hit written all over it.

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The information contained in this communication is

happy marriage of economic convenience in which one partner does all the saving and the other does all the spending.
In Kissinger's own words, China's rise could "make international relations bipolar again," ushering in a new cold (or possibly even hot) war. Nationalist writers like Liu Mingfu, author of China Dream, urge China to switch from "peaceful development" to "military rise" and look forward to the "duel of the century" with the United States. There are those in Washington, too—apparently including, for the moment, the Obama administration—who would relish a more confrontational relationship. Yet Kissinger remains hopeful that cooler heads will prevail in Beijing: thinkers like Zheng Bijian, who urges China to "transcend the traditional ways for great powers to emerge" and "not [to] follow the path of Germany leading up to World War I." Rather than attempting to "organize Asia on the basis of containing China or creating a bloc of democratic states for an ideological crusade," the United States would do better, Kissinger suggests, to work with China to build a new "Pacific Community." Four decades ago, Richard Nixon grasped sooner than most the huge potential of China. "Well," he mused, "you can just stop and think of what could happen if anybody with a decent system of government got control of that mainland. Good God … There'd be no power in the world that could even—I mean, you put 800 million Chinese to work under a decent system … and they will be the leaders of the world." That prophecy is being fulfilled in our time. The fact that until now China's rise has been a boon to the United States rather than a bane owes much to the work of Henry Kissinger. With this book he has given his successors an indispensable guide to continuing the Sino-American "coevolution" he began.

*Ferguson is writing a biography of Henry Kissinger.*

A Justice Department spokeswoman declined to comment. Christopher Clark, an attorney for Broidy, declined to comment.

Broidy's alleged activities were detailed in news reports earlier this year that cited hacked emails. The Los Angeles-based venture capitalist, who served as top fundraiser for the Republican Party and President Trump, has said that allegations against him are an effort by his enemies to smear him.

Rudolph W. Giuliani, an attorney for Trump, said he had no knowledge of any request for records related to Broidy. The White House referred a request for comment to the Republican National Committee, which declined to comment.

*[Trump fundraiser Elliott Broidy sues Qatar alleging cyber smear campaign]*

In recent weeks, prosecutors with the Justice Department's public integrity section — which examines possible political and government corruption — have sought documents related to Broidy's business dealings.

Among the information sought by investigators are details about Broidy's work on behalf of and interactions with the Chinese and Malaysian officials, according to two people familiar with the document requests.

As part of their efforts, prosecutors have subpoenaed casino magnate Steve Wynn, the former RNC finance chairman and longtime Trump friend, for copies of records and communications related to Broidy.

An attorney for Wynn, Reid Weingarten, declined to comment, saying only that Wynn is cooperating with the Justice Department.

"Steve Wynn is completely cooperating with the investigation and he certainly has no reason to believe that anyone acted improperly in anything he knew about or was involved in," Weingarten said in a statement.

Wynn was tapped by Trump to serve as the RNC's lead fundraiser after the election. Earlier this year, he stepped down from that post and from his executive role at his resort company after reports of sexual misconduct. Wynn has denied the allegations of inappropriate behavior.

The public integrity probe is the latest legal challenge for Broidy, who helped corral big donors to support Trump's presidential campaign, throwing a lavish fundraiser for the then-nominee at his Los Angeles-area home during the 2016 campaign. After the election, he was appointed to serve as a national deputy chairman for the RNC.

Broidy sought to parlay his party role and connections to the White House and on Capitol Hill in pitches to foreign governments, according to a person with direct knowledge of his activities.

autonomy. We might call this the Babylonian model.
The Davidic model exists primarily when there is no external imperial power needing control of the Levant that is in a position either to send direct force or to support surrogates in the immediate region. The Persian model exists when Israel aligns itself with the foreign policy interests of such an imperial power, to its own benefit. The Babylonian model exists when Israel miscalculates on the broader balance of power and attempts to resist an emerging hegemon. When we look at Israeli behavior over time, the periods when Israel does not confront hegemonic powers outside the region are not rare, but are far less common than when it is confronting them.
Given the period of the first iteration of Israel, it would be too much to say that the Davidic model rarely comes into play, but certainly since that time, variations of the Persian and Babylonian models have dominated. The reason is geographic. Israel is normally of interest to outside powers because of its strategic position. While Israel can deal with local challenges effectively, it cannot deal with broader challenges. It lacks the economic or military weight to resist. Therefore, it is normally in the process of managing broader threats or collapsing because of them.
The Geopolitics of Contemporary Israel
Let us then turn to the contemporary manifestation of Israel. Israel was recreated because of the interaction between a regional great power, the Ottoman Empire, and a global power, Great Britain. During its expansionary phase, the Ottoman Empire sought to dominate the eastern Mediterranean as well as both its northern and southern coasts. One thrust went through the Balkans toward central Europe. The other was toward Egypt. Inevitably, this required that the Ottomans secure the Levant.
For the British, the focus on the eastern Mediterranean was as the

DEK: In the upcoming sequel to Oliver Stone's groundbreaking film, Gordon Gekko gets out of jail and back to business. Peggy Siegal takes us behind the scenes where she got herself on camera along with a few of her famous friends. Nice work if you can get it.

In 1987, right after director Oliver Stone won the Academy Award for "Platoon," he immediately turned to a domestic arena and began working on "Wall Street" in New York City where his father had been a stockbroker. Although the film was widely seen as a scathing critique of the culture of Wall Street, Stone has said that part of the film is a defense of capitalism, his father's vision of finance (as seen through the Hal Holbrook character) and an homage to his father.

At the time Oliver was also fascinated with the connection between the psyche of Latino Miami drug dealers from his earlier "Scarface" script and the American-born 28- to 35-year-old, white collar stockbrokers. Both groups had an animalistic need to obtain big and fast money. They shared an obsession with corruption and greed.

Oliver sent his actors to Bear Stearns for research, including then-newcomer Charlie Sheen, who played Bud Fox, a kid from nowhere. When he learns to cold call, and lands one big client, Gordon Gekko, Fox is thrust into the fast lane with a rock star financial mentor who teaches him corruption.

Oliver needed an old-fashioned villain to create drama, and he cast Michael Douglas as Gekko against type. Michael was not known as a heavy at the time, but as a charming, handsome, sensitive leading man. Oliver also saw the anger, confidence, salesmanship and style that Michael brought to the role. Michael's Gekko looked a bit like Laker's coach Pat Riley with his slicked back hair and well-cut suits, and it became Michael's most important role, winning him the Academy Award for the villain no one could ever forget.

When Gekko delivers his speech, "Greed, for lack of a better word, is good. Greed is right. Greed works," cinematic history was made.

"Wall Street" was set in 1985, a time before ten financial news networks broadcasting 24/7 existed. The entire financial services industry was largely unknown and Oliver Stone nailed it.

Four years ago, Wall Street's producer Ed Pressman decided it was time for a sequel and met with Fox Film Entertainment co-chairmen Tom Rothman and Jim Gianopulos. Michael Douglas was immediately on-board pending script approval. Steven Schiff wrote the first script before the global economic crash of 2008 rendered it obsolete.

Alan Loeb was brought in for a rewrite. Pressman asked me to meet Loeb at the Carlyle Hotel to explain the social rhythms of New York's financial high society. Whereas Gekko's character was modeled after '70s junk bond kings (Michael Milken) and '80s mergers and acquisitions killers (Henry Kravis), Loeb bases the new villain on hedge fund billionaires like John Paulson and Mike Novogratz, geniuses who have created stratospheric wealth beyond Gordon Gekko's wildest dreams. When Oliver Stone agreed to direct, he rewrote a portion of the script to focus on bankers as well as hedge funders, taking no screen credit.

This past September, Oliver yelled, "action" as Gordon Gekko, with long grey hair, comes back to life as he emerges from a lengthy prison stint shot outside of Sing Sing in Ossining, New York. Gekko is desperate to redefine himself in a different era. The New York Post runs a full-page photo of Gekko and New Yorkers immediately become obsessed with the filming of Wall Street 2.

A week into shooting, a glorious fall day. Ed Pressman invites me on the set at the Central Park Zoo. Oliver designs an elaborate tracking shot around the seal pool where Gekko, fresh from jail, walks and talks to Jake Moore, a young idealistic investment banker played by Shia LaBoeuf. They discuss Gekko's daughter Winnie, Moore's fiancée, played by Carrie Mulligan, who is also having an off-screen romance with LaBoeuf. Oliver played Cupid. Moore invites Gekko to the Alzheimer's Ball at the Metropolitan Museum

- You met a student from another university, an atheist activist, in March 2008 at the American Atheists Convention in Minneapolis. She wanted to expand the atheist group she ran at the midwestern university she was attending, and hoped to convince you to come and speak. You initially seemed enthusiastic.
- During the convention, attendees including you and Richard Dawkins went for dinner with the student and volunteers for Dawkins' foundation.
- Afterwards, the student invited you to join the volunteers for a drink.
- You asked her to come get you in your hotel room. She was wary of your intentions, and so brought a male friend with her. Opening the door to find them both there, you informed her you had decided not to go.
- You met this student again at the American Atheists Convention in Des Moines, Iowa, in April 2011.
- You pulled over a chair for her in the bar, and then started running your hand up her leg under the table.
- She tried to shift her body away from you, and you persisted in putting your hand on her leg. She crossed her legs, and you kept trying. Then she turned her entire body away.

Incident 5:

- This incident allegedly occurred on in May 2011 on a CFI cruise. We understand that CFI staff were informed that you had propositioned a female cruise-goer, who rejected an invitation to join you and your female companion for sex in your cabin.
- At least two CFI staffers were sufficiently concerned about reports of your behavior that they urged CFI's president not to invite you on a 2014 cruise of the Galápagos Islands. You were invited on that cruise, however.

Incident 6:

- During a visit to Melbourne, Australia, in November 2016, you were accused of sexual misconduct once again.
- The incident happened at a dinner held at the Melbourne Zoo as part of the Australian Skeptics National Convention, where you were a featured speaker.
- With conference delegates chatting over drinks, a woman asked you for a celebrity selfie.
- As the woman held out her phone to take the picture, you reached over her shoulder and grabbed her right breast.
- She immediately reacted, bodychecking you and spinning around. "Don't do that," she said.
- BuzzFeed News has seen the complaint made by another woman to ASU, ANU, and the New College of the Humanities in London, including the selfie, her face obscured to conceal her identity. It shows your hand in motion as a blur in front of her shoulder, apparently moving toward her chest. Two other eyewitnesses have confirmed the complainant's account of what happened.
- In April 2017, the complainant described the incident on her blog. After hearing more about your reputation for inappropriate behavior from blog readers, she decided to file a complaint about the Nov. 2016 incident.
- On July 16, she filed formal complaints with Arizona State University, and with the Australian National University in Canberra and the New College of the Humanities in London, where you have visiting appointments.
- Both Arizona State and the Australian National University told her they would look into the matter. But neither university found against you.
- "Based on the material available to the University, we do not have sufficient evidence to substantiate the allegations," Kiaran Kirk, dean of the College of Science at the Australian National University, wrote to her.
- Erin Ellison, who heads Arizona State's Office of Equity & Inclusion, wrote to her explaining that an inquiry "did not find a violation of university policy."

# Selection of Awards

Award

## ★Selection, Announcement of Winners and the Award Ceremony

Awards will be granted to energy developments, products and services evaluated as being most ingenious, practical and eco-friendly (Winners will be selected through visitor's votes and the Judging Committee)

NCT aims to gain worldwide recognition and establish the NCT accreditation mark as the world's most prestigious environmental accreditation mark. This will be the most distinctive feature of this Convention.
Awarded products will have the right to carry the NCT accreditation mark and news of the winners will be sent through NCT's PR division to the world.

### How Awards are Selected (tentative plan)

**Establishment of a Judging Committee**
- Establishment of a qualified Judging Committee
- *• The Committee will consist of approximately 10 judged and 10 civil members
- A review committee will work on the method of selection for visitor votes

**Entries**
- A summary of the entry product will be submitted at the time the entry application is submitted

**1st Screening**
- Judges from the committee and visitors will go around booths and check products.
- 8 finalists will be selected upon the results of votes from day 1-2.

**Presentation**
- Held on the last day of the Convention. The selected 8 corporations conduct public demonstrations.

**Final Screening**
- After the presentations, the judging committee will select the winners.

**Announcement and Award Ceremony**
- Winners will be announced on the last day at 15:00 followed by an award ceremony

**Visitor Votes**
- On day 1 &2, ballots will be handed out to visitors at the entrance.
- Visitors will go around each booth, mark the product/service they find most outstanding and cast their votes.

**Count Votes**
- Voting will end at 12:00 on the 3rd day and ballots counted.

### Awards (tentative)

ENERGY DIVISION
★NCT Energy Award ★Kyoto Energy Award ★Nobel Family Honorary Award
These awards will be awarded to the best achievements or most practical inventions in the energy field.
( selection will be made by the Judging Committee )

ENVIRONMENT & ECOLOGY DIVISION
★NCT Contribution to Environmental Award ★NCT Environmental Design Award ★Special Ecology Award
The "NCT Contribution to Environment Award" and the "NCT Environmental Design Award" will be awarded to the best achievements or most practical inventions the fields of energy efficient products, eco-friendly services and R&D. The "Special Ecology Award" will be awarded to the product that wins the most votes of visitors .
(selection will be made by the Judging Committee and visitors)

### Award Ceremony Venue

The Award Ceremony will take place at a special stage constructed in the West Hall Atrium.

- Announcement of winners and the Award Ceremony will take place at the special stage in the West Atrium
- Judges, the 8 finalists (companies), press and other parties involved will participate.
- Winners will be presented with a certificate of merit,/medal/prize money by members of the Nobel family in accordance with the awards.



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asset globally where vols are up this year – and the one with broader consequences for neighbors (through EM Asian intervention policy). Hence, this week's focus in our *FX Markets Weekly* on two other dimensions of the bearish yen view: what is the currency worth if the BoJ successfully delivers 2% inflation, and how broad is the yen short.

- To those who believe in purchasing power parity (and we are not amongst them), USD/JPY could move to 100 on a credible BoJ. Realizing these extreme targets requires Japanese participation in this yen move, since international investors could reach their risk limits on yen shorts. So far domestics look fairly unconvinced. Japan has been posting net capital outflows (foreign purchases of JGBs minus Japanese purchases of foreign bonds) since mid-2011, but the pace of those outflows has not increased since then-candidate Shinzo Abe began calling for much looser monetary policy. Stay short yen on the possibility that locals join the move, but rotate exposure. Book gains on a KRW/JPY one-touch, a USD/JPY seagull and CHF/JPY cash. Stay long NOK/JPY and re-enter EUR/JPY (both in cash). Stay short USD vs a basket of AUD, RUB and KRW.

**Commodities**

- **Commodities are up around 1% this week, with all sectors gaining ground.** In Wednesday's *GMOS*, we retained all our previous positions. Our main trades are long **Brent time spreads** (long front vs. third futures contract), long industrial metals, long US natural gas and short agriculture. Production losses in the North Sea should support our Brent trade, while the current economic rebound in China should push industrial metals higher. US **Natural gas** should benefit from the ongoing switch from coal to gas for power generation and 2013 should see the first slowdown in production since the boom began five years ago.

- The GSCI **agriculture** index has already reversed around 80% of its rise in summer 2012 as farmers have planted a much larger area, which means a higher likelihood of much higher future supply. **We stay short** for now as we think this downtrend has further to go. **We are also long gasoil vs. Brent.** Global inventories are very low and demand from Asia is picking up, consistent with the economic data, which we expect to improve further over the coming months. An expected cold snap should also help push demand higher through January

- We took profit on our long position in **gold** last Friday and year-to-date gold is down around 1%. We believe many investors had bought gold over the past few years to hedge against the risk of "QE unlimited." The recent FOMC minutes, however, have since raised the risk of an early end to QE, reducing to need to hedge through gold. The risk is thus that a number of market participants will reduce their gold hedges, pushing gold prices down further. We still like gold as a hedge against long-term inflation risks once global growth returns to trend and we would look to reopen the position at around $1,550/oz..

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economist at the International Monetary Fund, presented a paper in 2005 warning of a "catastrophic meltdown" and was mocked as a "Luddite" by Mr. Summers.

Meanwhile, some investment bankers — at Goldman Sachs in particular — were betting against the positions they were pushing on their customers. An elaborate house of cards had been constructed in which bad consumer loans were bundled into securities, which, were certified as sound by rating agencies paid by the banks and then insured via credit-default swaps. One risky bet was stacked on top of another, and in retrospect the collapse of the whole edifice, along with the loss of jobs, homes, pensions and political confidence, seems inevitable.

How did this happen? Mr. Ferguson is no conspiracy theorist; nor is he inclined toward structural or systemic explanations. Markets are not like tectonic plates, shifting on their own. Visible hands write laws and make deals, and in this case a combination of warped values and groupthink seems to have driven very intelligent men (and they were mostly men) toward folly. In addition to business and government, Mr. Ferguson aims his critique at academia, suggesting that the discipline of economics and more than a few prominent economists were corrupted by consulting fees, seats on boards of directors and membership in the masters of the universe club.

When he challenges some of these professors, in particular those who held positions of responsibility in the White House or in the Federal Reserve, they are reduced to stammering obfuscation — Markets are complicated! Who could have predicted? I don't see any conflict of interest — and occasionally provoked to testiness. Mr. Ferguson, for his part, cannot always contain his incredulity or rein in his sarcasm. Occasionally his voice pipes up from off camera, saying things like, "You can't be serious!"

But it is hard to imagine a movie more serious, and more urgent, than "Inside Job." There are a few avenues that might have been explored more thoroughly, in particular the effects of the crisis on ordinary, non-Wall-Street-connected workers and homeowners. The end of the film raises a disturbing question, as Mr. Damon exhorts viewers to demand changes in the status quo so that the trends associated with unchecked speculation of the kind that caused the last crisis — rising inequality, neglect of productive capacity, endless cycles of boom and bust — might be reversed.

This call to arms makes you wonder why anger of the kind so eloquently expressed in "Inside Job" has been so inchoate. And through no fault of its own, the film may leave you dispirited as well as enraged. Its fate is likely to be that of other documentaries: praised in some quarters, nitpicked in others and shrugged off by those who need its message most. Which is a shame.

*"Inside Job" is rated PG-13 (Parents strongly cautioned). Some drug and sex references and pervasive obscenity, though not the verbal kind.*

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If the desire of our realists to conduct foreign policy with foreign despots as if unprincipled cooperation with the bad guys could build a stable world is unrealistic, the idealism of our enthusiasts that every new foreign revolution will bring a millennium of democratic peace is absurd.

American foreign policy cannot expect that revolutions in foreign countries will rescue us from the painful dilemmas our foreign policy often confronts. Revolution is not the deus ex machina that will make the world peaceful; it is a tsunami that sweeps everything before it, and often leaves the world messier and more dangerous.

Modern history teaches two great lessons about revolution: that revolutions are inevitable, and that a large majority of revolutions either fail or go bad. Americans almost instinctively look at revolutions in terms of our own past: the 1688 Glorious Revolution that made Parliament more powerful than the King in England, and the American Revolution that led in relatively short order to the establishment of a stable and constitutional government.

Most revolutions don't work like this at all. Many of them fail, with the old despots crushing dissent or making only cosmetic changes to the old system. (This happened in Austria in 1848 and something very like it may be happening in Egypt today.) Others move into radicalism, terror and mob rule before a new despot comes along to bring order — at least until the next futile and bloody revolutionary spasm. That was France's history for almost 100 years after the storming of the Bastille. China, Russia and Iran all saw revolutions like this in the 20th century.

The revolutions that 'work' are the exceptions, not the rule. The peaceful revolutions in the Central European countries as Soviet power melted in 1989-1990 are a unique exception to the rule that most revolutions either turn nasty or fail. When many American

Mohamed Bouazizi and the symbolism of his fate that sparked all the revolutions across the Middle East.

The images of the rebels in Libya liberating their country (as it seems they are close to doing) and chanting songs of freedom, like their Egyptian and Tunisian counterparts before them, will no doubt be another powerful inspiration and morale booster for the Syrian people.

Qaddafi's departure will also make it possible for the international community to devote more attention and energy to Syria and come up with more creative and coordinated policies to assist the Syrian people, short of bombing Damascus or sending arms. That all eyes are currently on Assad is certainly bad news for the dictator.

Yet whatever the international community devises, the Syrian protest movement must do a better job organizing and convincing the world that it is more or less ready to take over once Assad falls. For that, the protesters need to create a truly united and inclusive political front (the National Council which the Syrian opposition formed today in Istanbul is a good first step, but it remains leaderless and still needs to come up with a tangible platform that goes beyond the demands for freedom and regime change).

Interviews with Arab intellectuals and ordinary citizens broadcast on satellite TV channels across the Arab world tell us that many Arabs believe that the rebels in Libya have made a mistake in asking for Western ("colonial") military intervention. But the rebels' salvation is that they quickly came together and formed a transitional council, gaining world recognition and persuading major powers that the alternative to Qaddafi is indeed viable.

Right now, the West, and especially Syria's neighbors, are concerned that Assad's departure will lead to chaos and perhaps even sectarian, civil war that could spill over to other parts of the region.

The matter goes beyond Hamas. The Syrian regime is currently fighting for its life against its majority Sunni population. It has survived thus far, but it needs to redefine the conflict. The Iranians and Hezbollah are among those most concerned with the fall of the Syrian regime. Syria has been Iran's one significant ally, one strategically positioned to enhance Iranian influence in the Levant. Its fall would be a strategic setback for Iran at a time when Tehran is looking to enhance its position with the U.S. withdrawal from Iraq. Iran, which sees the uprising as engineered by its enemies - the United States, Saudi Arabia and Turkey - understandably wants al Assad to survive.

Meanwhile, the fall of Syria would leave Hezbollah - which is highly dependent on the current Syrian regime and is in large part an extension of Syrian policy in Lebanon - wholly dependent on Iran. And Iran without its Syrian ally is very far away from Hezbollah. Like Tehran, Hezbollah thus also wants al Assad to survive.

Hezbollah joining Hamas in a confrontation with Israel would take the focus off the al Assad regime and portray his opponents as undermining resistance to Israel. Joining a war with Israel also would make it easier for Hezbollah to weather the fall of al Assad should his opponents prevail. It would help Hezbollah create a moral foundation for itself independent of Syria. Hezbollah's ability to force a draw with Israel in 2006 constituted a victory for the radical Islamist group that increased its credibility dramatically.

The 2006 military confrontation was also a victory for Damascus, as it showed the Islamic world that Syria was the only nation-state supporting effective resistance to Israel. It also showed Israel and the United States that Syria alone could control Hezbollah and that forcing Syria out of Lebanon was a strategic error on the part of Israel and the United States.

he was unaware that commentators like me would be picky about the lack of basic freedoms. He doesn't care.

Indeed, that was the point. Turki — and by implication all of Saudi Arabia — has had it with the United States. The kingdom will not be lectured to. It is sick and tired of American favoritism to Israel — the exuberant congressional reception for Binyamin Netanyahu, for example — and the administration's decision to oppose any effort in the United Nations to create a Palestinian state. In this matter, America is doing what Israel wants.

"In September, the kingdom will use its considerable diplomatic might to support the Palestinians in their quest for international recognition," Turki wrote. "American leaders have long called Israel an 'indispensable' ally. They will soon learn that there are other players in the region — not least the Arab street — who are as, if not more, 'indispensable.' The game of favoritism toward Israel has not proven wise for Washington, and soon it will be shown to be an even greater folly."

This is not your usual diplomatic language — and even for Turki it is rough. It shows, though, a not-surprising frustration in the Arab world with American policy tethered for the moment to a quite stubborn and unimaginative Israeli policy. Both countries are suffering from a surfeit of democracy. Israel's governing coalition is held hostage by the right; America's governing coalition is in the same fix.

Turki does not run out of wagging fingers. He says that those who think that the United States and Israel will determine the future of Palestine are dead wrong. "There will be disastrous consequences for U.S.-Saudi relations if the United States vetoes U.N. recognition of a Palestinian state. It would mark a nadir in the decades-long relationship as well as irrevocably damage the Israeli-Palestinian peace process and America's reputation among Arab nations. The

Bizarrely, perhaps, I have gotten to know Jeffrey and Ghislaine far better after my piece than before it. I kept running into both of them, separately, at parties. Jeffrey is not a social animal so he usually has a couple of young women with him who stand two feet behind him, as if serving a monarch. "Do they speak?" I remember asking him once, nodding at his lookalike blondes. He laughed. "Not like you,Vicky," was his riposte.

I remembered that when we'd once discussed math—in particular, an isosceles triangle—and I revealed I hadn't studied math since I was 14 (such is, or was, the way of the British educational system), I received a package at home via messenger. It was a book: "Math for idiots."

So he is not without humor, even though he doesn't drink or smoke, and hates restaurants.

"Jeffrey knows a good deal about most subjects," newspaper publisher Mort Zuckerman told me last week. He was certainly preaching to the converted. The truth is, Epstein does know a lot about a lot of things. Just a few moments in his company and you know this to be true.

When I saw pictures of Prince Andrew walking in Central Park with Jeffrey, my immediate thought was that "Andy"—as Jeffrey calls him—is probably asking for help with his role as British trade envoy, or whatever his strange title is. Because if one thing's for sure: When it comes to international business, Jeffrey knows what he's talking about far more than "Andy" does. Which is why Leon Black, Mort Zuckerman and a few other financiers hang out with him.

And Ghislaine?

Full disclosure: I like her. Most people in New York do. It's almost impossible not to.

She is always the most interesting, the most vivacious, the most unusual person in any room. I've spent hours talking to her about the third world at a bar until 2am. She is as passionate as she is knowledgeable. She is curious. She has spent weeks at the bottom of the ocean, literally going deeper than anyone else. She has sent me a DVD of the fish there. Her rolodex would blow away almost anyone else's I can think of—probably even Rupert Murdochs'. She is very well-read and can talk about most things for hours. She is passionate about Bill Clinton with whom she is close friends.

Yet, touchingly, when she had to give a speech at the 40th birthday party of her best friend, Ariadne Calvo-Platero, (known fondly to her close friends as "the Tennis Goddess") Ghislaine shook a little with nerves. When it comes down to things she really cares about—and Ariadne is one of them—Ghislaine shows her vulnerability.
And that vulnerability is key to understanding her friendship with Jeffrey.

"He saved her," I remember a close friend of mine telling me. "When her father died, she was a wreck; inconsolable. And then Jeffrey took her in. She's never forgotten that—and never will."

In many ways, the socially awkward Epstein with his big house, plane, island and ranch was the perfect replacement for her father, the late Robert Maxwell, newspaper tycoon and criminal. Sure, Jeffrey had his sexual pecadillos, but then Ghislaine's father was not without his oddities. After all, it was he who died leaving a massive "black hole" he'd fraudulently created. To Ghislaine, Jeffrey's habits may not have seemed that strange.

In fact, she probably figured, rather like I have, after years of writing about he very rich, that most successful people in the end either have some weird habit (the late Bruce Wasserstein had the weight issues, the girl issues, and moved countries to avoid paying tax), or they break the law (Sam Waksal, Martha Stewart.) You don't tend to get to the top by being the world's most balanced human being. Even the folksy Warren Buffett didn't quite manage a normal life—whatever that is. He had a second "wife" for many years whose existence he has been open about.

**From**: Peggy Siegal [redacted]
**Sent**: 3/7/2013 2:03:11 PM
**To**: jeevacation@gmail.com
**Subject**: Fw: Oscar Diary

I am struggling thru this. It is so late already. I am so stressed out. Will finishe is in a day or two.. I can not write about the Katzenberg party. Maybe can just mention is happened in my hotel. But the reason to go was to support Katzenberg and network. More to come. Peg

----- Original Message -----
From: Peggy Siegal
Sent: Thursday, March 07, 2013 08:51 AM
To: Peggy Siegal
Subject: Oscar Diary

It's Thursday morning on Wilshire Boulevard and the Academy of Motion Pictures Arts and Sciences has just opened it's doors for ticket pick-up for the 85th Oscar telecast.

Forty voting members, the distinguished director Norman Jewison and I are on a long single file line that snakes thru the lobby patiently waiting to go upstairs to pick up our tickets. My seats were awarded via a lottery system. We clutch our photo I.D.

Suddenly, a messenger slips in wearing a smart khaki windbreaker and cuts through the line. He announces to the uniformed guard in a stage whisper, "Dreamworks", and as if Steven Spielberg himself had just delivered the Gettysburg address, is ushered upstairs.
That is the final act of social justice of the "Lincoln" campaign.

I am sleep deprived and jet lagged having just spent six hours on a flight sitting next Paula Wagner who is Tom Cruise's ex-agent turned Broadway producer for Jessica Chastain's "The Heiress". We discuss Jessica's not so great chances to beat Jennifer Lawrence for Best Actress. I mention Harvey Weinstein's concern about Emmanuel Riva's last minute surge. The French phenomena doesn't speak English, has never been to L.A. and it's like voting for a ghost, even on her 86th birthday.

This is the year I got phone calls in September from top studio executives announcing each are winning the Oscar. Their euphoric giddiness is due to the quality of the films resulting in the priciest oscar campaigns on record and astounding audience support at the theaters.

Seven of the nine best picture nominees have taken in well over $100 million at the domestic box office to date, but it's the worldwide numbers in the millions that are staggering.

Twentieth Century Fox's "Life of Pi" caused a tsunami at $595,
Universal's "Les Miserables" scored $412, the Weinstein Cos.' "Django Unchained" whipped up $395, DreamWorks' "Lincoln" delivered at $254, Warner's "Argo" captured $219, Weinstein's "Silver Lining Playbook" danced to $187 and Sony's "Zero Dark Thirty" killed at $107 million.

In comparison, Sony Classics' "Amour" received $19 and Fox Searchlights' "Beast of the Southern Wild" worked up $19 million.

Hugh audiences having actually seen the films this year have an ear for the nuances of the Oscar race and everyone including Ben Affleck follow the bloggers religiously.

So by Thursday morning on line at the Academy the informed buzz was as follows: "Argo" takes best picture because is was most entertaining. The director snub to Ben Affleck was a Godsend as George Clooney's advice came from far away Berlin where he was in pre-production on "The Monuments Men". Warner's president Sue Kroll kept the campaign clean and calm on the home front.

"Lincoln's" victory is Daniel Day Lewis from day one of shooting, no pun intended. The suggestion that Obama is our answer to Lincoln was interesting. Voters knew Obama secretly hosted three screenings in the White House, but they weren't invited. The Hollywood Foreign press were the biggest winners with Bill Clinton's surprise appearance on their broadcast. DreamWorks' ran an impeccable patriotic campaign that the media ate up.

The best director race had the most drama. Hollywood dreaded Spielberg loosing to Ang Lee. (Eventually everyone was thrilled Steven was anointed president of the Cannes Jury for 2013 the day after the awards show.)

The voters knew beloved Ang Lee's three year boat ride was the technical miracle. Fox's $595 million international box office blew in the win.

Harvey Weinstein having three horses running is always the most talked about. His loquacious Quentin Tarentino was a lock for screenplay. Best supporting actor was a total toss up with a sentimental edge

“So basically, the Iranians are acting like the Israelis – they want peace, and they want to keep the land.”

Other analysts, while conceding any progress would be slow, had somewhat more positive forecasts on the Syrian front.

“[Syria] is a tough one to happen quickly, but at least if they start talking then it’s a good thing,” said Andrew Hammond, policy fellow at the European Council on Foreign Relations and author of The Islamic Utopia: The Illusion of Reform in Saudi Arabia.

“Fundamentally, the chances of the Syrian tragedy being brought to an end, or the beginning of this disaster being brought to an end, require these two countries to come to an agreement […] They are the keys to the Syrian conflict, so they have to start talking, even though it will take a long time.”

Accordingly, with little chance of the two reaching agreement on Syria in the immediate future, the talks may in fact focus on other areas of dispute, such as Iraq, where a new coalition government is being formed following parliamentary elections on 30 April.

“The other issue is Iraq, now that the election is over and all the horse-trading is beginning,” said Hammond. “I wonder whether that actually may have been the main impetus for this invitation.”

Perhaps the most significant changes resulting from Faisal’s initiative in the long run, however, will pertain to Saudi itself. Having been “shocked,” as Hammond put it, by the United States’ decision to pursue warmer ties with Tehran last year, and initially threatening a “major shift” in its relations with Washington as a consequence, Riyadh may now be grudgingly coming to terms with the new order envisaged by President Obama.

“It does suggest there is a potential for them to reassess the situation and try and move things forward, find some way of having a new relationship with the Iranians, given the fact that the Americans clearly want to move forward, and the smaller Gulf states do as well,” said Hammond.

of the Eastern Hemisphere. A European power trying to dominate the Mediterranean or expand eastward, an eastern power trying to dominate the space between the Hindu Kush and the Mediterranean, a North African power moving toward the east, or a northern power moving south — all must converge on the eastern coast of the Mediterranean and therefore on Israel. Of these, the European power and the eastern power must be the most concerned with Israel. For either, there is no choice but to secure it as an anchor.

Internal Geopolitics

Israel is geographically divided into three regions, which traditionally have produced three different types of people. Its coastal plain facilitates commerce, serving as the interface between eastern trade routes and the sea. It is the home of merchants and manufacturers, cosmopolitans — not as cosmopolitan as Phoenicia or Lebanon, but cosmopolitan for Israel. The northeast is hill country, closest to the unruliness north of the Litani River and to the Syrian threat. It breeds farmers and warriors. The area south of Jerusalem is hard desert country, more conducive to herdsman and warriors than anything else. Jerusalem is where these three regions are balanced and governed.

There are obviously deep differences built into Israel's geography and inhabitants, particularly between the herdsmen of the southern deserts and the northern hill dwellers. The coastal dwellers, rich but less warlike than the others, hold the balance or are the prize to be pursued. In the division of the original kingdom between Israel and Judea, we saw the alliance of the coast with the Galilee, while Jerusalem was held by the desert dwellers. The consequence of the division was that Israel in the north ultimately was conquered by Assyrians from the northeast, while Babylon was able to swallow Judea.

Social divisions in Israel obviously do not have to follow

**Date:** Tuesday, March 8 2011 11:57 PM
**From:** Jeffrey Epstein <jeevacation@gmail.com>
**To:** PETER MANDELSON <[redacted]>;

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max <gmax1@ellmax.com>
Date: Tue, Mar 8, 2011 at 12:17 PM
Subject: <no subject>
To: J Jep <jeevacation@gmail.com>

Jeffrey and Ghislaine: Notes on New York's Oddest Alliance <
http://www.vanityfair.com/online/daily/2011/03/notes- on-new-yorks-oddest-couple-jeffrey-epstein-and-ghislaine-maxwell.html>
by Vicky Ward <http://www.vanityfair.com/contributors/vicky- ward>
March 8, 2011, 2:30 PM
"I've got a story idea for you. The rebuilding of Indonesia. Or New Orleans. Or both. Go there. I've just been. You will never think the same way about anything again."
So spoke not Bill or Melinda Gates, but Ghislaine Maxwell, the 48-year-old woman being written up everywhere at the moment as the alleged "procurer" of young women for billionaire Jeffrey Epstein. Epstein, 57, is the financier who spent a year in jail on charges of soliciting prostitutes—and now there is talk of another investigation because various women, now in their twenties and thirties, have come forward with allegations that he molested them when they were under-age. The allegations first surfaced in British newspapers, which have zeroed in on Epstein's friendship with Prince Andrew, who has recently tried to publicly disassociate himself from his old pal.
I wrote a piece for Vanity Fair in 2003 called "The Talented Mr. Epstein." It was largely a business piece that focused on his mysterious exit from Bear Stearns in 1981, his close relationships with Jimmy Cayne, Les Wexner, the chairman of Limited Brands, and above all, the man who claimed to be his mentor, Steven Jude Hoffenberg, who is currently serving a 20-year-jail sentence for bilking investors in Towers Financial out of $450 million.

The piece alluded to Epstein's great friendship with Maxwell, and how she introduced him to young women with whom he had sexual relationships. But, in the end, the story didn't really go there, focusing instead on the issue that remains a mystery—how Jeffrey made his money, and how Ghislaine made hers.

This is not to say I didn't hear stories about the girls. I did. But, not knowing quite who to believe, I concentrated on the intriguing financial mystery instead. But now the women have come back. Not the same ones, different ones. And their stories are bone-chilling. Journalists from England have phoned—and, in one case, flown—to ask me about Epstein and Maxwell. Who is he? And the British, especially, want to know: Who is she? At this point, I am so bored of repeating myself to others—it was, after all, my 2003 Vanity Fairstory that really brought him into the limelight—that I have decided to write about this myself.

Bizarrely, perhaps, I have gotten to know Jeffrey and Ghislaine far better after my piece than before it. I kept running into both of them, separately, at parties. Jeffrey is not a social animal so he usually has a couple of young women with him who stand two feet behind him, as if serving a monarch. "Do they speak?" I remember asking him once, nodding at his lookalike blondes. He laughed. "Not like you,Vicky," was his riposte.

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So he is not without humor, even though he doesn't drink or smoke, and hates restaurants.

"Jeffrey knows a good deal about most subjects," newspaper publisher Mort Zuckerman told me last week. He

Notes

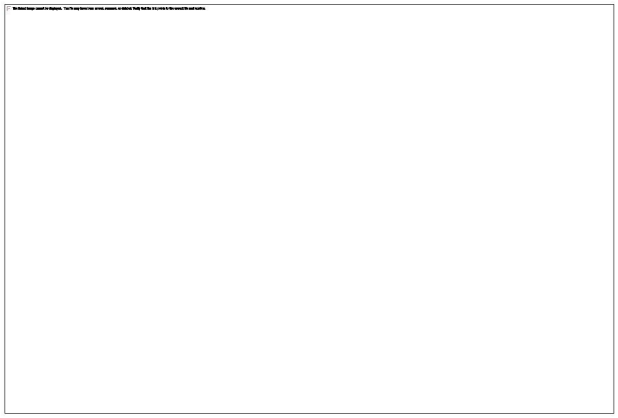
[a] I like the idea of **extending the holding period for short term capital gains to 3-5 years, and cutting the long term capital gains rate closer to 5%-10%.** It could encourage more business formation, since more of what people create, they keep. If the cutoff year is properly set, it could be done on a deficit–neutral basis.

[b] According to methodology described by Keith Poole of the University of San Diego in the *American Journal of Political Science*, **McGovern ranks as the 99th most liberal politician out of 3,320** politicians serving from 1937 to 2002.

[c] In a letter to the Wall Street Journal. Reprinted with permission; emphasis added.

[d] This may not have been a permanent change. The National Taxpayers Union rated the Blue Dog Democrats as having a fiscal conservatism score of 52% in 1995; by 2009, it had fallen to 18%.

[e] Would McGovern's focus on red tape make sense today? **According to surveys conducted by the National Federation of Small Business, the answer would be yes.** The 3 issues most frequently mentioned as each respondent's "single most important problem" are Poor Sales, Regulation & Red Tape, and Taxes. Two things of note. First, Regulation & Red Tape concerns have been steadily rising over the last two years. Secondly, availability of credit does not show up as an issue. As the NFIB wrote in May 2011, "92 percent reported that all their credit needs were met or that they were not interested in borrowing. Eight percent reported that not all of their credit needs were satisfied. Three percent reported financing as their #1 business problem, so credit supply is not a problem for the overwhelming majority."



[f] As reported by Reuters, Gerald Wynn, November 22, 2010.

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reality to portray Fatah as colluding with Israel against the Palestinian people during a confrontation.

For its part, Hamas has the support of Islamists in the region, including Shiite Iranians, but that is an explosive mix to base a strategy on. Hamas must break its isolation if it is to counter the tired but real power of Fatah. Symbolic flotillas from Turkey are comforting, but Hamas needs an end to Egyptian hostility to Hamas more than anything.

**Egypt's Role and Fatah on the Defensive**

Egypt is the power that geographically isolates Hamas through its treaty with Israel and with its still-functional blockade on Gaza. More than anyone, Hamas needs genuine regime change in Egypt. The new regime it needs is not a liberal democracy but one in which Islamist forces supportive of Hamas, namely the Muslim Brotherhood, come to power.

At the moment, that is not likely. Egypt's military has retained a remarkable degree of control, its opposition groups are divided between secular and religious elements, and the religious elements are further divided among themselves - as well as penetrated by an Egyptian security apparatus that has made war on them for years. As it stands, Egypt is not likely to evolve in a direction favorable to Hamas. Therefore, Hamas needs to redefine the political situation in Egypt to convert a powerful enemy into a powerful friend.

Though it is not easy for a small movement to redefine a large nation, in this case, it could perhaps happen. There is a broad sense of unhappiness in Egypt over Egypt's treaty with Israel, an issue that comes to the fore when Israel and the Palestinians are fighting. As in other Arab countries, passions surge in Egypt when the Palestinians are fighting the Israelis.

Under Mubarak, these passions were readily contained in Egypt. Now the Egyptian regime unquestionably is vulnerable, and pro-

The fact that Acosta didn't is another sign — if one were needed — that this was a capitulation. It also casts further doubt on the claim that Acosta was capitulating for the purpose of sparing the folks who worked with him in the prosecutor's office.

The key point, though, is that Ken Starr and Jay Lefkowitz were power players in Washington — men who might help Acosta down the road.

Readers will be quite familiar with Starr's background. Lefkowitz was director of cabinet affairs and deputy executive secretary to the domestic policy council under President George H.W. Bush. Under President George W. Bush, Lefkowitz served as general counsel in the Office of Management and Budget and later as deputy director of domestic policy at the White House.

Accommodating such influential figures must have seemed like a good career move. Having Starr and Lefkowitz on his side might help Acosta get a judgeship, a cabinet appointment, or a high-paying job back at Kirkland and Ellis.

I'm speculating, of course. But my speculation finds support in Acosta's practice of accommodating the powerful.

Much of that accommodation is of Democrats. Indeed, at the time Acosta was working in Miami as a U.S. Attorney, he had alienated some Republicans by such accommodation while at the Department of Justice. Some say he was on the verge of being fired when Attorney General Alberto Gonzalez parachuted him to Miami. The Epstein settlement was a way for Acosta to shore up his standing with some influential Republicans.

Will Acosta be able to survive the current scandal? I don't have a clear sense about this yet. But President Trump, who isn't bashful about sacking cabinet members, may come to believe (if he doesn't now) that it's disadvantageous to have a cabinet member who sold out teenage victims of sexual abuse, especially when the sell-out benefited an ultra-wealthy serial offender.

* Some on the left are trying to make something or the fact that Starr, who had investigated Bill Clinton in connection with sexual misconduct, later defended Epstein, a pervert. This is silly.

In both instances, Starr was doing his job as a lawyer. Perverts are entitled to a defense and there is nothing hypocritical about investigating Bill Clinton's misconduct when that was Starr's job and later joining the team that was defending Jeffrey Epstein.

Acosta, by contrast, was on the team seeking justice for Epstein and for his victims. He gave up this quest for reasons that can't be defended.

Sent from my iPad

becomes an event that can force a regional crisis in the midst of ongoing regional crises. It thus is a vote that could have significant consequences.

**The Palestinian Divide**

Let's begin with the issue not of the right of a nation to have a state but of the nature of a Palestinian state under current circumstances. The Palestinians are split into two major factions. The first, Fatah, dominates the West Bank. Fatah derives its ideology from the older, secular Pan-Arab movement. Historically, Fatah saw the Palestinians as a state within the Arab nation. The second, Hamas, dominates Gaza. Unlike Fatah, it sees the Palestinians as forming part of a broader Islamist uprising, one in which Hamas is the dominant Islamist force of the Palestinian people.

The Pan-Arab rising is moribund. Where it once threatened the existence of Muslim states, like the Arab monarchies, it is now itself threatened. Mubarak, Syrian President Bashar al Assad and Libyan leader Moammar Gadhafi all represented the old Pan-Arab vision. A much better way to understand the "Arab Spring" is that it represented the decay of such regimes that were vibrant when they came to power in the late 1960s and early 1970s but have fallen into ideological meaninglessness. Fatah is part of this grouping, and while it still speaks for Palestinian nationalism as a secular movement, beyond that it is isolated from broader trends in the region. It is both at odds with rising religiosity and simultaneously mistrusted by the monarchies it tried to overthrow. Yet it controls the Palestinian proto-state, the Palestinian National Authority, and thus will be claiming a U.N. vote on Palestinian statehood. Hamas, on the other hand, is very much representative of current trends in the Islamic world and holds significant popular support, yet it is not clear that it holds a majority position in the Palestinian nation.

match, if not outdo, the impact of 9/11. Zawahiri, by contrast, favored an opportunistic strategy of smaller strikes.

●Bin Laden was a hands-on chief executive, with a role in operations planning and personnel decisions, rather than the detached senior leader that U.S. analysts had hypothesized. Zawahiri, whom the analysts had imagined as the day-to-day leader, was actually quite isolated — and remains so, despite a dozen communications this year. Zawahiri suffers from mistrust between his Egyptian faction of al-Qaeda and other operatives, such as Atiyah.

●Bin Laden was suffering badly from drone attacks on al-Qaeda's base in the tribal areas of Pakistan. He called this the "intelligence war," and said it was "the only weapon that's hurting us." His cadres complained that they couldn't train in the tribal areas, couldn't communicate, couldn't travel easily and couldn't draw new recruits to what amounted to a free-fire zone. Bin Laden discussed moving al-Qaeda's base to another location, but he never took action.

Analysts did not find in the material any smoking gun to suggest Pakistani government complicity in bin Laden's presence in Abbottabad. And it's clear he was paranoid about being found and killed: He ordered his subordinates to restrict movements to help preserve what remained of al-Qaeda in Pakistan. Fear of being discovered was a subject of regular conversation between bin Laden, Atiyah, Zawahiri and others.

Bin Laden also worried that al-Qaeda's status among Muslims was dwindling, and that the West had at least partially succeeded in distancing al-Qaeda's message from core Islamic values. Concerned about this eroding base, bin Laden counseled affiliates in North Africa and Yemen to hold back on their efforts to develop a local Islamic extremist state in favor of attacking the United States and its interests.

In a civil war, a society is divided into armed camps that, initially at least, are roughly the same size. That's not the case in Syria, where the uprising is backed by an overwhelming majority against a government that's dominated by a small minority — the Ba'ath Party. To make matters worse, the Ba'ath is dominated by the Nusairi (Alawite) religious minority, a mere 5 percent of the population. Thus, Syria's is a nationwide revolution against a minority regime.

Almost all Syrians agree that the situation is untenable. Assad's policy of rule by massacre has few supporters outside his clan. Judging by the revolution's most popular slogan — "Assad Get Out!"— a majority may support demands for Assad to stand down, as suggested by Jordan's King Abdullah.

Nevertheless, the Assad clan still controls enough military and financial assets to continue its rule-by-massacre strategy.

The result could be the disintegration of the Syrian army and the emergence of armed groups beyond the control of either the government or the Syrian National Council, the opposition's umbrella organization. That could lead to violence spilling into neighboring countries, especially Iraq and Lebanon.

Rather than speculating about a civil war, the Arab League and the international community should focus on the dangers that the Syrian situation poses for regional peace.

A Franco-British resolution on Syria won a majority at the UN Security Council last month but was killed by Russian and Chinese vetoes. The Security Council should take up the issue again — this time to debate the threat to the region.

Last month, Russia and China tried to justify their vetoes by claiming that the Arab states were divided over Syria. This wasn't true then and is less so now. The Arab League has suspended Syria's membership and condemned the rule-by-massacre policy. Arab

the witness.[3] And, as courts have repeatedly held, the protection offered by the Fifth Amendment privilege extends to producing documents where the act of production itself is testimonial in nature.

The context in which the Committee has called for General Flynn's testimonial production of documents makes clear that he has more than a reasonable apprehension that any testimony he provides could be used against him. Multiple Members of Congress have demanded that he be investigated and even prosecuted. He is the target on nearly a daily basis of outrageous allegations, often attributed to anonymous sources in Congress or elsewhere in the United States Government, which, however fanciful on their face and unsubstantiated by evidence, feed the escalating public frenzy against him.[4] Additionally, in the intervening time since the Committee issued its subpoena, the Department of Justice has appointed a special counsel to investigate these and related matters. This environment creates a "reasonable cause to apprehend danger," giving rise to a constitutional right not to testify. A detailed explanation of the legal basis for respectfully declining to comply with the Committee's requests follows below.[5]

The Fifth Amendment Privilege Bars Congress From Compelling A Witness to Provide Testimony Through The Act of Producing Documents

The Fifth Amendment protects an individual from being "compelled in any criminal case to be a witness against himself." U.S. Const. amend. V. This privilege applies in congressional investigations. In *Watkins v. United States,* Chief Justice Warren stressed that "the constitutional rights of witnesses will be respected by the Congress as they are in a court of justice. . . . Witnesses cannot be compelled to give evidence against themselves." 354 U.S. 178, 187-88 (1957). The Supreme Court later held in *United States v. Hubbell*, 530 U.S. 27, 34 (2000), that the right not to be compelled to give testimony against oneself applies as well to the compelled production of *documents* that would be "testimonial" in nature. Specifically, the act of producing documents in response to a subpoena may have a "compelled testimonial aspect" when "the act of production itself may implicitly communicate statements of fact" that the documents "existed, were in his possession or control, and were authentic." *Id.* at 36 (internal quotation marks omitted) (quoting *United States v. Doe*, 465 U.S. 605, 613 & n.11 (1984)).

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[3] *Id.*

[4] These include leaks that purport to describe classified briefings, documents, and intelligence collection. Any actual leaks of classified information -- including reported leaks of signals intelligence -- constitute criminal offenses by government officials violating their duty to protect classified information.

[5] General Flynn reserves the right to assert, in connection with the subpoena, any other privilege or protection provided by the Constitution, statute, or common law.

Bizarrely, perhaps, I have gotten to know Jeffrey and Ghislaine far better *after* my piece than before it. I kept running into both of them, separately, at parties. Jeffrey is not a social animal so he usually has a couple of young women with him who stand two feet behind him, as if serving a monarch. "Do they speak?" I remember asking him once, nodding at his lookalike blondes. He laughed. "Not like *you,*Vicky," was his riposte.

I remembered that when we'd once discussed math—in particular, an isosceles triangle—and I revealed I hadn't studied math since I was 14 (such is, or was, the way of the British educational system), I received a package at home via messenger. It was a book: "Math for idiots."

So he is not without humor, even though he doesn't drink or smoke, and hates restaurants.

"Jeffrey knows a good deal about most subjects," newspaper publisher Mort Zuckerman told me last week. He was certainly preaching to the converted. The truth is, Epstein *does* know a lot about a lot of things. Just a few moments in his company and you know this to be true.

When I saw pictures of Prince Andrew walking in Central Park with Jeffrey, my immediate thought was that "Andy" —as Jeffrey calls him—is probably asking for help with his role as British trade envoy, or whatever his strange title is. Because if one thing's for sure: When it comes to international business, Jeffrey knows what he's talking about far more than "Andy" does. Which is why Leon Black, Mort Zuckerman and a few other financiers hang out with him.

And Ghislaine?

Full disclosure: I like her. Most people in New York do. It's almost impossible not to.

She is always the most interesting, the most vivacious, the most unusual person in any room. I've spent hours talking to her about the third world at a bar until 2am. She is as passionate as she is knowledgeable. She is curious. She has spent weeks at the bottom of the ocean, literally going deeper than anyone else. She has sent me a DVD of the fish there. Her rolodex would blow away almost anyone else's I can think of—probably even Rupert Murdochs'. She is very well-read and can talk about most things for hours. She is passionate about Bill Clinton with whom she is close friends.

Yet, touchingly, when she had to give a speech at the 40th birthday party of her best friend, Ariadne Calvo-Platero, (known fondly to her close friends as "the Tennis Goddess") Ghislaine shook a little with nerves. When it comes down to things she really cares about—and Ariadne is one of them—Ghislaine shows her vulnerability.
And that vulnerability is key to understanding her friendship with Jeffrey.

"He saved her," I remember a close friend of mine telling me. "When her father died, she was a wreck; inconsolable. And then Jeffrey took her in. She's never forgotten that—and never will."

In many ways, the socially awkward Epstein with his big house, plane, island and ranch was the perfect replacement for her father, the late Robert Maxwell, newspaper tycoon and criminal. Sure, Jeffrey had his sexual pecadillos, but then Ghislaine's father was not without his oddities. After all, it was he who died leaving a massive "black hole" he'd fraudulently created. To Ghislaine, Jeffrey's habits may not have seemed that strange.

In fact, she probably figured, rather like I have, after years of writing about he very rich, that most successful people in the end either have some weird habit (the late Bruce Wasserstein had the weight issues, the girl issues, and moved countries to avoid paying tax), or they break the law (Sam Waksal, Martha Stewart.) You don't tend to get to the top by being the world's most balanced human being. Even the folksy Warren Buffett didn't quite manage a normal life —whatever that is. He had a second "wife" for many years whose existence he has been open about.

So what to make of the current fuss over Ghislaine? I haven't spoken to her or to Jeffrey, but I suspect that her loyalty to friends like Bill Clinton will keep her in good stead, in the end, she'll be out and about as always. Look at Waksal and Stewart. No one sees them and thinks: criminal. Au contraire. In this city, money makes up for all sorts of

idealists think about revolution today, they have Poland, the Czech Republic and Hungary in mind.

Few assumptions can lead you into as much trouble this quickly. Even in 1989-90, those countries were the exception and not the rule. Think Ukraine, Belarus, Yugoslavia, Romania, Azerbaijan, Kazakhstan, Uzbekistan and of course Russia itself. More people live in countries where the 1989-90 revolutionary wave failed to establish secure constitutional democracy than live in those where it succeeded.

More, the countries that had 'velvet' revolutions shared a number of important characteristics. They had or longed to have close political and cultural ties to the West. They wanted to join NATO and the EU, and had a reasonable confidence of doing so sooner rather than later. They could expect enormous amounts of aid and foreign direct investment if they continued along the path of democratic reform. They lay on the 'western' side of the ancient division of Europe between the Orthodox east and the Catholic/Protestant homeland of the modern liberal tradition.

No Arab country looks anything like this. Indeed, most seem closer to Yugoslavia and Belarus or, at best, Ukraine. We, and they, may get lucky, and the revolutions in the Arab world may lead to something that looks more like Central Europe than like Central Asia. That would be a nice surprise, but we should not be placing large bets that this will actually happen.

China, by the way, does not look very much like the Czech Republic. Revolution there is very unlikely to produce a US or European style democracy anytime soon.

If realists ignore the inevitability of revolution, idealists close their eyes to the problems of revolutionary upheavals in societies that have difficult histories, deep social divisions, and poor short term economic prospects. Unfortunately the countries most likely to

Erian, a veteran Brotherhood leader and the vice chairman of its new party, who met with Mr. Walles. “And we are keen and eager to say that we respect the democratic process and the rights of all people according to the Constitution and the law.”

Administration officials, who spoke on the condition of anonymity to discuss private diplomatic exchanges, said they hoped that a combination of internal and external pressure on the council would persuade it to yield power and submit to civilian oversight. In addition to the public comments by Mrs. Clinton, other senior American officials have privately urged the council to revise its recent proposals to preserve power, the officials said.

The officials noted that since Mr. Mubarak’s ouster, the council’s leaders had repeatedly offered, then backed away from, some proposals only after street protests and public pressure, in a kind of prolonged back-and-forth that some noted reflected a true, if messy, democratic process taking root.

But administration officials and Egyptian activists note worrying signs. The military core of Mr. Mubarak’s government has “reasserted itself again,” a senior administration official said. “We don’t have great expectations that this is going to be the creation of a democratic system,” the official said, referring to the coming elections.

At best, the official added, the elections will be “a transition to a transition,” one that could leave the military as the de facto power in Egypt for years to come, as it was under Mr. Mubarak’s rule.

The military has said that it intends to hold ultimate political power even after the election of a Parliament in the coming months, and that it will play a role in drafting the constitution as well. It has refused to lift the Mubarak-era “emergency law” allowing arrests without trial, and it has sent as many as 12,000 civilians to military trials.

After the month-long investigation, during which I was told I was not to interact with anyone on campus (again moot because I was a hemisphere removed) the final report, from which I quote below absolved me of any wrongdoing, reinstating my position, and indicated information inconsistent with the original claim and apparent later claims:

"The allegations were made by an observer to the incident.
- The complaint did not identify, nor disclose the identity of the conference attendee who was allegedly touched in
an unwelcome manner.
- The conference attendee who took the 'selfie' photo did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
- The conference attendee who witnessed the incident, did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
-The photo submitted as part of the complaint does not provide evidence of any physical contact.
- The complainant alleged that a photo exists, showing your hand on the breast of the conference attendee who took
the 'selfie' photo. This photo was not made available to the Australian National University, although it was requested
in the course of the investigation."

(And for the record I often put my hand up in front of a camera if there is a flash, as I specifically request selfies not to include flashes, so that I don't end up with a series bright spots in front of my eyes for the next half hour. Moreover, I have no idea if the other eyewitnesses you quote, who were not involved in any complaint, were in fact there but this was a formal banquet with individuals and their partners, which I attended long enough to agree to sign things and do selfies before leaving early because I was tired. Even if I had any such intent it would have been lunacy to pose for selfies in front of a group and openly do such a thing, including presumably in front of this person's partner, . Which, besides the fact that I don't do such things, is one of the many reasons it never happened.)

What makes this particular type of allegation so repugnant is that I get asked for literally thousands of selfies, and when people come up to me they are vulnerable, often shaking, or sometimes aggressive. I am particularly proud of the way I work to make all people feel at ease, and respected, rather than humiliated, whatever their behavior or request. Thus, this false claim strikes at the heart of what I am about, which characterizes all my interactions with fans: to acknowledge them in a way that makes them feel appreciated and respected. As I understand you had a reporter watching me sign books and take selfies at the CFI conference in Las Vegas this year, that behavior is what they will have witnessed and should report on. Moreover, I am proud of the interactions I have had at both Case and ASU, with students, colleagues and staff of all genders and ethnicities. I have worked hard to support them, mentor them, and treat them with respect. I treat others as responsible adults, and I expect to be treated equally.

On Dec 10, 2017, at 6:12 PM, Peter Aldhous <[redacted]> wrote:

Dr. Krauss:

As you know, I'm a reporter for BuzzFeed News who has been investigating sexual misconduct allegations against you. As we've already discussed by email, I'd very much like to interview you about these allegations in detail.

FRANCIS FUKUYAMA: This really started with a practical concern I had after dealing with failed states and nation-building issues in the wake of September 11 and our nation-building efforts in Afghanistan and Iraq. It seemed to me that the United States in particular didn't appreciate the difficulty of this kind of activity, because we didn't adequately understand how hard it was to establish institutions. When I was at Johns Hopkins at SAIS [School of Advanced International Studies] I ran an international-development program, focusing on issues of anti-corruption and improving governance. And a lot of it seemed premised on an overly optimistic faith in the ability of outsiders to effect desired outcomes. So I decided to write a book about where institutions came from in countries that had them and could take them for granted. We've forgotten a lot of that history and how we've gotten to the present. Along the way it was also a means of revisiting a lot of *The End of History* 20 years later.

SHAFFER: Some theorists, like Hegel, think that history doesn't just tell us what is stable, or what works, but actually points us toward moral progress. Do you believe that?

FUKUYAMA: Fundamentally, I believe in liberal democracy, that it's the best form of government, and that the world has made moral progress. But that's a separate question from whether the development of democratic institutions is inevitable and driven by an underlying historical force. I've become more skeptical of that latter belief over the years as I've become more attentive to the role of accident and contingency. And my current book is about a lot of that. For example: The reason we got to democracy in Europe is the almost accidental survival of a feudal institution — the English parliament — into the modern period. That's something that didn't happen in other

The Saudis are reliable defenders of the West's diverse interests in the region, and have been America's principal ally in the Middle East for more than seventy years. The confused notion that Saudi Arabia is synonymous with radical Islam is falsely based on the Western notion that "one size fits all." Fundamentalists supporting the Islamic State in the Kingdom violate the rule of law at home, and the Saudis' strong efforts to prevent the export of terrorism. Saudi senior leaders desire good relations with the West and see the Islamic State and Jihadist terrorism as threatening to their very rule. Through the safeguarding of the Holy Cities of Mecca and Medina, which remain open to tens of millions of foreign visitors and differing Islamic beliefs, the Kingdom has a unique window into the actions and motivations of radical fundamentalists who pass in and out of those always accessible cities. By sharing that intelligence, the Saudis greatly enhance America's security.

Like it or not, the military option most unpopular with America's voters and politicians may be its best. Bashar Assad may well be our only hope in fighting the various terrorist factions that are attempting to form an ISIS state. If America agrees that putting boots on the ground would be impractical and ineffective, then a self-governed "Syria State" must be the entity that reaches settlements with the various factions that are causing the mass migration of thousands of Syrians to Europe, the USA and elsewhere. The only solution is one that works with Russia and not against them. Our vacuum forced that hand, because we are no longer the lonesome superpower shaping Middle East foreign policy.

When the USA had a narrow set of interests during the Cold War era, acting prudently in favor of well-defined and communicated objectives, its actions were more effective. But as the objectives changed, and America attempted to democratize autocracies, the broadening of goals led to a corresponding weakening of results. A clear direction in the Middle East is imperative, not just to enhance Middle Eastern nation-state interests, but to protect US interests at home, as well as abroad.

Article 4.

The Washington Post

# Amid the Arab Spring, a U.S.-Saudi split

Nawaf Obaid

May 16 - RIYADH, SAUDI ARABIA -- A tectonic shift has occurred in the U.S.-Saudi relationship. Despite significant pressure from the Obama administration to remain on the sidelines, Saudi leaders sent troops into Manama in March to defend Bahrain's monarchy and quell the unrest that has shaken that country since February. For more than 60 years, Saudi Arabia has been bound by an unwritten bargain: oil for security. Riyadh has often protested but ultimately acquiesced to what it saw as misguided U.S. policies. But American missteps in the region since Sept. 11, an ill-conceived response to the Arab protest movements and an unconscionable refusal to hold Israel accountable for its illegal settlement building have brought this arrangement to an end. As the Saudis recalibrate the partnership, Riyadh intends to pursue a much more assertive foreign policy, at times conflicting with American interests. The backdrop for this change are the rise of Iranian meddling in the region and the counterproductive policies that the United States has pursued here since Sept. 11. The most significant blunder may have been the invasion of Iraq, which resulted in enormous loss of life and provided Iran an opening to expand its sphere of influence. For years, Iran's leadership has aimed to foment discord while furthering its geopolitical ambitions. Tehran has long funded Hamas and Hezbollah; recently, its scope of attempted interference has broadened to include the affairs of Arab states from Yemen to Morocco. This month the chief of staff of Iran's armed forces, Gen. Hasan Firouzabadi, harshly criticized Riyadh over its intervention in Bahrain, claiming this act would spark massive domestic uprisings.

- In November of 2006, at an event launching the new Center for Inquiry in Washington D.C., you met a volunteer for CFI D.C.
- At the event, you asked for her business card. Later, you followed her as she was leaving and asked her if she was "of age."
- Later, you emailed her to invite her to dinner.
- You planned to dine with her in the restaurant at the Washington D.C. hotel where you were staying.
- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

- In an incident that occurred in fall of 2007 while you were a physics professor at Case Western Reserve University, a student tried to talk to you about her plans after graduation. You mentioned to her how tough it must be to have all the other physics majors asking her out on dates.
- In a second incident in December of 2007, while you were still at Case Western, the same student visited your office to interview you for a student science journal. You closed the door behind her, and ignored the questions she had prepared. Then you made a casual comment about taking her out for dinner.
- Later, in a regular column for the school paper, she described her experiences with you, without mentioning you by name. "There was even one particular creep of a professor who once told me he thought differently of me compared to other students and asked me to dinner: a situation so disturbing that it left me upset for weeks afterward," she wrote.
- She was then approached by a dean at the university, who suspected that she was referring to you, based on a previously reported incident with another student. He encouraged her to make a complaint, and she did.
- University investigators interviewed both you and the student.
- On September 4, 2008, Susan Nickel-Schindewolf, the university's associate vice president for student affairs, wrote to the student, telling her that the investigation was complete. She wrote that you had been told: "This type of behavior could constitute sexual harassment in violation of the university's sexual harassment policy."
- The letter also stated that you were prohibited from making contact with the student as long as she remained at Case.
- The letter also stated that you are required to get approval from the dean or the chair of the physics department before setting foot on the campus again.
- The letter also stated, "Dr. Krauss expressed regret about having a negative impact on you, and also his willingness to use this complaint as an opportunity to reflect and improve on his future interactions with students."
- By then, you had already left Case, taking up your current position at Arizona State University the month before.
- "The opportunities being offered at ASU are simply too great to turn down at this stage in my career," you told Case colleagues, in an email announcing your departure on April 16, 2008.

In an astounding move puzzling many in Moscow, Putin after reading this secret FSB report today ordered posted to the Kremlin's official website a defense of Strauss-Khan becoming the first world leader to state that the former IMF chief was a victim of a US conspiracy. Putin further stated, "It's hard for me to evaluate the hidden political motives but I cannot believe that it looks the way it was initially introduced. It doesn't sit right in my head."

Interesting to note about all of these events is that one of the United States top Congressman, and 2012 Presidential candidate, Ron Paul has long stated his belief that the US government has lied about its gold reserves held at Fort Knox. So concerned had Congressman Paul become about the US government and the Federal Reserve hiding the truth about American gold reserves he put forward a bill in late 2010 to force an audit of them, but which was subsequently defeated by Obama regime forces.
When directly asked by reporters if he believed there was no gold in Fort Knox or the Federal Reserve, Congressman Paul gave the incredible reply, "I think it is a possibility."

Also interesting to note is that barely 3 days after the arrest of Strauss-Kahn, Congressman Paul made a new call for the US to sell its gold reserves by stating, "Given the high price it is now, and the tremendous debt problem we now have, by all means, sell at the peak."

Bizarre reports emanating from the US for years, however, suggest there is no gold to sell, and as we can read as posted in 2009 on the ViewZone.Com news site:
"In October of 2009 the Chinese received a shipment of gold bars. Gold is regularly exchanged between countries to pay debts and to settle the so-called balance of trade.

Most gold is exchanged and stored in vaults under the supervision of a special organization based in London, the London Bullion Market Association (or LBMA). When the shipment was received, the Chinese government asked that special tests be performed to guarantee the purity and weight of the gold bars. In this test, four small holes are drilled into the gold bars and the metal is then analyzed.

Officials were shocked to learn that the bars were fake. They contained cores of tungsten with only a outer coating of real gold. What's more, these gold bars, containing serial numbers for tracking, originated in the US and had been stored in Fort Knox for years. There were reportedly between 5,600 to 5,700 bars, weighing 400 oz. each, in the shipment!"

To the final fate of Strauss-Kahn it is not in our knowing, but new reports coming from the United States show his determination not to go down without a fight as he has hired what is described as a 'crack team' of former CIA spies, private investigators and media advisers to defend him.

To the practical effects on the global economy should it be proved that the US, indeed, has been lying about its gold reserves, Russia's Central Bank yesterday ordered the interest rate raised from 0.25 to 3.5 percent and Putin ordered the export ban on wheat and grain crops lifted by July 1st in a move designed to fill the Motherlands coffers with money that normally would have flowed to the US.

The American peoples ability to know the truth of these things, and as always, has been shouted out by their propaganda media organs leaving them in danger of not being prepared for the horrific economic collapse of their nation now believed will much sooner than later.

experience revolutions are usually the countries that lack the preconditions for Anglo-American style relatively peaceful revolutions that end with the establishment of stable constitutional order. If things were going well in those countries, they would not be having revolutions.

Historically, revolutions in foreign countries are both necessary for their political development and inevitable. They often tend to make American foreign policy more difficult — and the world more dangerous. On the evidence so far, this is the pattern we are seeing in the Middle East today.

Revolutionary Realism?

The difficulty American policymakers have in coming to grips with the recurring phenomenon of foreign revolutions is rooted in America's paradoxical world role. We are not just the world's leading revolutionary nation; we are also the chief custodian of the international status quo. We are upholding the existing balance of power and the international system of finance and trade with one hand, but the American agenda in the world ultimately aims to transform rather than to defend.

It is harder to be an effective revolutionary power than to be a conservative one — and it is harder still to combine the two roles. A traditional conservative power knows what it wants. Revolutionary powers have a tougher job; building the future is harder work than holding on to the past. This is particularly true in the American case; the global transformation we seek is unparalleled for depth, complexity and scale.

We are not sure how this revolutionary transformation works. We know that it involves liberal political change: governments of law rather than of men and legitimacy derived from the consent of the governed as measured in regular and free elections. We also know that involves intellectual and social change: traditional religious ideas

Article 1.

The Daily Beast

# Obama's True Claim to Fame

Michael Tomasky

August 23, 2011 -- Barack Obama hasn't been much of a domestic-policy president from nearly anyone's point of view. And it's a little hard to picture how he might ever be seen as such—that is to say, even if he's reelected, he'll probably have a Republican House or Senate (or both) that will thwart him at every turn, so the best he'll be able to say is that he presided over a slow and very difficult economic recovery, which presumably will finally happen by January 2017. But foreign policy could be a completely different story. Here one can see how he might become not just a good but a great foreign-policy president. Yes, of course, let's stipulate: the war isn't actually, you know, over. And even after it is, Libya could descend into chaos or extremism or both (although it is heartening to read that the National Transitional Council, the recognized new governing body, apparently has detailed governance plans in place). So could Egypt, and Tunisia, and so on and so on. Lots of things could, can, and undoubtedly will go wrong. Let's also stipulate that Obama did not drape himself only in glory on Libya. The administration's statement in June that the conflict wasn't under the purview of the War Powers Act because bombing didn't constitute "hostilities" was ridiculous. And many critics reasonably felt back in March that Obama was a little slow to pull the trigger on the intervention (I didn't share that view).

All that said, the administration has already handled a lot of these changes well (and in the face of absolutely constant know-it-all criticism). One of the best things an American administration can do when big changes are afoot somewhere in the world is stay out of the way and not act as if we can will an outcome just because we're

Article 6.

Newsweek

# Robert Gates: America is losing its grip

John Barry and Tara McKelvey

27 June -- Aboard the Pentagon jet on his last foreign trip as secretary of defense, Robert Gates takes a moment to peer across the American horizon--and the view is dire: the U.S. is in danger of losing its supremacy on the global stage, he says.

"I've spent my entire adult life with the United States as a superpower, and one that had no compunction about spending what it took to sustain that position," he tells NEWSWEEK, seated in the strategic communications center of the Boeing E-4B. "It didn't have to look over its shoulder because our economy was so strong. This is a different time." A pause. "To tell you the truth, that's one of the many reasons it's time for me to retire, because frankly I can't imagine being part of a nation, part of a government ... that's being forced to dramatically scale back our engagement with the rest of the world."

Such a statement--rather astonishing for the leader of the world's preeminent fighting force--may open the administration to charges of not believing in American exceptionalism, an opening the GOP is already trying to exploit. But these days Gates is less worried about political crossfire and more focused on the legacy of his own tenure, which bridged the presidencies of George W. Bush and Barack Obama. He is determined to define his own legacy as Pentagon boss, and eager to push back against one of the more vocal criticisms of his tenure: the belief among many liberals and some conservative budget hawks that in a time of deep indebtedness, he hasn't been willing to chop enough of a defense budget bloated by a decade of war. Don't expect him to apologize. In Gates's mind, it's other political leaders with less experience who are confused.

- In a second incident in December of 2007, while you were still at Case Western, the same student visited your office to interview you for a student science journal. You closed the door behind her, and ignored the questions she had prepared. Then you made a casual comment about taking her out for dinner.
- Later, in a regular column for the school paper, she described her experiences with you, without mentioning you by name. "There was even one particular creep of a professor who once told me he thought differently of me compared to other students and asked me to dinner: a situation so disturbing that it left me upset for weeks afterward," she wrote.
- She was then approached by a dean at the university, who suspected that she was referring to you, based on a previously reported incident with another student. He encouraged her to make a complaint, and she did.
- University investigators interviewed both you and the student.
- On September 4, 2008, Susan Nickel-Schindewolf, the university's associate vice president for student affairs, wrote to the student, telling her that the investigation was complete. She wrote that you had been told: "This type of behavior could constitute sexual harassment in violation of the university's sexual harassment policy."
- The letter also stated that you were prohibited from making contact with the student as long as she remained at Case.
- The letter also stated that you are required to get approval from the dean or the chair of the physics department before setting foot on the campus again.
- The letter also stated, "Dr. Krauss expressed regret about having a negative impact on you, and also his willingness to use this complaint as an opportunity to reflect and improve on his future interactions with students."
- By then, you had already left Case, taking up your current position at Arizona State University the month before.
- "The opportunities being offered at ASU are simply too great to turn down at this stage in my career," you told Case colleagues, in an email announcing your departure on April 16, 2008.

Incident 3:

- A former Case Western physics department administrator confirmed that she had reported a previous incident involving a student who had confided in her about your inappropriate behavior towards her.

Incident 4:

- You met a student from another university, an atheist activist, in March 2008 at the American Atheists Convention in Minneapolis. She wanted to expand the atheist group she ran at the midwestern university she was attending, and hoped to convince you to come and speak. You initially seemed enthusiastic.
- During the convention, attendees including you and Richard Dawkins went for dinner with the student and volunteers for Dawkins' foundation.
- Afterwards, the student invited you to join the volunteers for a drink.
- You asked her to come get you in your hotel room. She was wary of your intentions, and so brought a male friend with her. Opening the door to find them both there, you informed her you had decided not to go.
- You met this student again at the American Atheists Convention in Des Moines, Iowa, in April 2011.
- You pulled over a chair for her in the bar, and then started running your hand up her leg under the table.
- She tried to shift her body away from you, and you persisted in putting your hand on her leg. She crossed her legs, and you kept trying. Then she turned her entire body away.

Incident 5:

## Equities

- The global rally in equity markets slowed this week, but did not reverse, on continued concerns about the fallout from a poorly executed Cyprus solution. The Euro area underperformed again, for a second week in a row. As discussed last week, we view Cyprus as a local problem that we address by **underweighting Euro area** equities in a global portfolio. A potential negative feedback loop from markets to the economy poses a serious downside risk for Euro area growth over coming months prolonging the current run of negative economic surprises from the region.
- **Japan** is the region we like the most. In our mind the Japanese equity trade has further legs not only due to prospective BoJ balance sheet expansion but more importantly due to a reform agenda to be unveiled into the summer.
- **EM** equities are suffering from renewed policy tightening in major EM economies such as Brazil and China. Investors have bitter memories of previous property tightening measures in China. As within DM, we see a lot of divergences within EM and prefer to focus on under-owned markets with good domestic demand story such as Mexico and Malaysia. See "Consensus Asset Allocation", Adrian Mowat and team, Mar 26th. Open overweights in Mexican and Malaysia equities vs MSCI EM.
- For long-term investors we just released our quarterly publication "**Trade opportunities for long term investors**" Mar 27. We monetize risk premia in Value stocks via a long in S&P500 Value vs S&P500 ETFs. It appears that a five year long underperformance of Value stocks has come to an end. We take profit on trades that monetize skew risk premia in S&P500 due to sharp contraction over the past quarter. We continue to monetize equity risk premia via buying high dividend yield equity ETFs against USTs. Our preference is to buy ETFs which track the S&P US Preferred stock due to its high yield, around 6%, and its high weight on Financials.

## Credit

- **The news flow from the Cypriot bailout continued to push spreads wider and vol higher this week,** with European Financials underperforming as creditor bail-in risks returned to the forefront. iTraxx senior and subordinated financials indices widened 20bp as investors sought to hedge via CDS rather than sell bonds. European credit continued to underperformed US credit.
- The fact that Cypriot banks debt is only 1.3% of total liabilities was a key factor in the decision to bail-in depositors. Yet events surrounding the banking sector restructuring **also suggest that keeping senior unsecured bondholders immune from costly bail-outs is politically untenable**. This removes the implicit 'cover' that senior bonds holders have enjoyed and has increased speculation that implementation of the bail-in proposals under the EU's Resolution & Recovery Directive (RRD) will be brought forward to 2015 from the current 2018 time-frame.
- As such, our colleagues in European Credit have examined the implications of changing recovery rate expectations across the bank capital structure. Assuming that covered bonds remain outside the scope of the proposals, we expect senior bank bond spreads to widen relative to covered bonds **and prefer being OW covered bonds vs senior bonds in the periphery,** particularly in Spain where covered bonds have first claim over the entire mortgage book of the bank. From a relative value point of view, we also suggest owning **subordinated bank bonds vs senior bank bonds in the core** as, under the new RRD regime, there is a higher probability than before that

**More details in ...**

*US Credit Markets Outlook and Strategy, Eric Beinstein et al.*

*High Yield Credit Markets Weekly, Peter Acciavatti et al.*

*European Credit Outlook & Strategy, Steven Dulake et al.*

*Emerging Markets Cross Product Strategy Weekly, Eric Beinstein et al.*



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run they're doing better than the United States without having these Western institutions. The real challenge is the long-run sustainability of that system, or of the two systems. And looking at that in the long-run, I would still bet on the West, with its rule of law and systems of checks and balances on authority.

SHAFFER: You've probably heard a lot of phony rebuttals based on misreading of *The End of History*. So, I won't attempt one — but you've made oblique references to your own revisions and criticisms. How does the rise of China and the current Arab unrest, for example, fit into the end of history?

FUKUYAMA: If you understand the original thesis correctly, what I was saying is that there was a theory of history among progressive intellectuals for most of the 20th century. That theory of history was Marxism. And according to the Marxists, the end of history was a communist utopia. My observation in the late 1980s is that we weren't going to get there. Liberal democracies seemed to be the highest stage of political development, and I didn't see any real alternatives. If you understand the thesis that way, I still believe that. Nothing that's happened in the last 20 years has convinced me that there's a higher form of government. Certainly not 9/11 — I don't think anybody wants to live in a place like Iran and Afghanistan, so I don't think that's a serious competitor. China is a more plausible alternative. But I don't think that anybody who's not culturally Chinese would duplicate their system, and the Chinese are not really proselytizing their system. So I still think liberal democracy is the default form of government.

What's changed for me are a couple of things: One is the idea of political decay. It wasn't an important part of the *End of History*. But I do think that all political systems, including liberal democracies,

Broward pilot gets four years in prison for child porn possession

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Hollywood police find untested rape kits in evidence room refrigerator

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Map

- Maps
- Palm Beach, FL, USA

By Brett Clarkson, Sun Sentinel

7:43 p.m. EDT, April 21, 2014

Did a Palm Beach billionaire being investigated for having sex with young girls use his wealth to negotiate a lenient and secret agreement that saw him avoid federal prosecution?

Attorneys for two victims, known only as Jane Doe 1 and 2, may soon get an answer thanks to an appeals court ruling against financier and sex offender Jeffrey Epstein, 61.

The ruling, issued Friday, orders federal authorities to disclose the correspondence that took place between Epstein's attorneys and federal prosecutors when they were negotiating a 2007 agreement, which allowed him to escape federal prosecution if he pleaded guilty to state charges that carried a lesser penalty.

"We're trying to figure out if Epstein used his political connections and great wealth to secure this kind of arrangement, that was unheard of, frankly, if you look at these charges," said Paul Cassell, an attorney for the women.

Epstein is a native New Yorker who according to media reports built a huge fortune as a money manager and owns several properties including a primary residence in Manhattan, a Palm Beach mansion and his own island in the Caribbean. At one point he counted among his friends former President Bill Clinton, Donald Trump and other high-powered figures.

The appeal court decision described the background of Epstein's case, stating that in 2006, the Federal Bureau of Investigation "began investigating allegations that Jeffrey Epstein had sexually abused several minor girls."

In September 2007, federal prosecutors struck the non-prosecution deal with Epstein, but didn't tell the victims, court filings say.

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Photos: Crimes that shocked South Florida

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"Not only did the United States neglect to confer with the victims before it entered into the agreement with Epstein, it also failed to notify them of its existence for at least nine months," Circuit Judge William H. Pryor wrote in the appeals court decision.

In June 2008, Epstein pleaded guilty to a state charge of procuring a person under the age of 18 for prostitution and was sentenced to 18 months in prison. He spent 13 months behind bars, and is registered as a sex offender in Florida.

The situation also resulted in civil suits being filed against Epstein, who according to media reports settled claims from about two dozen young women who alleged he paid them for sexual massages at his Palm Beach mansion, some as young as 14, according to media reports.

To the attorneys who represent the Jane Does 1 and 2, the sentence was much lighter than the years, or possibly decades, that Epstein could've spent behind bars had he been prosecuted in the federal system.

They're hoping that the correspondence, ordered released by the Eleventh Circuit Court of Appeals, will shed light on what they say is an unusually lenient deal.

"I can say that I've been teaching criminal law for more than two decades and I have never seen a plea agreement as lenient as this one, for hands-on sex offenders," said Cassell, who is based in Salt Lake City.

But one of Epstein's attorney's, Martin Weinberg, based in Boston, disputed those characterizations. Weinberg said Monday that the plea agreement was "reached in good faith" and that "it's not a fair conclusion" to describe the agreement as either improper or tainted by Epstein's wealth.

"It's Mr. Cassell's hope that this correspondence may support that theory, but the reality is that the U.S. Attorney's Office made a responsible judgment in how to implement the law," Weinberg said.

Weinberg said he was concerned about the potential impact the ruling would have on the ability of criminal defense attorneys and prosecutors to communicate confidentially.

He also said he and Epstein co-counsel, Miami criminal defense attorney Roy Black, will ask the Atlanta-based appeals court to review the decision.

As for the Jane Does, who are now over 18, it's just the latest development in a long legal saga, another one of their attorneys said.

believe in all the right ideas, but their countries aren't ready for the vision they seek to promote. They can help make a revolution but others will, for a time at least, determine the flow of events.

If true, then both the realists and the idealists are wrong about the Arab Revolution. The realists are wrong that despotic regimes can provide long term stability in the region; the idealists are wrong that the fall of the old despots will lead to liberal democratic states.

Americans have been getting foreign revolutions wrong for more than 200 years. It began with the French Revolution. Enthusiasts like Thomas Jefferson initially thought they saw France following in America's footsteps. Then came the Reign of Terror, Napoleon, and a generation of brutal war.

Many Americans responded with the same generous enthusiasm to the South American revolutions against colonial rule. Once again, those revolutions failed to establish anything like liberal democratic rule.

The cycles of revolution — 1830, 1848, 1917-20, 1946-1960 (decolonization), 1989-91, 2003-5 and now 2011 — catch Americans flatfooted over and over again. We are surprised when they occur, and we are surprised when they fail to follow the course we expect.

Delusional Realists

The realists are half right: most revolutions will not bring about stable democratic societies. But realists get the other half wrong; revolution is a basic fact of modern life and the kind of 'stability' that old fashioned diplomats long for is just a mirage. American foreign policy cannot proceed on the assumption that despotic, frozen regimes will last. They won't. Sooner or later they will come crashing down — and as the pace of technological and social change around the world continues to accelerate, such revolutionary upheavals are likely to become more frequent.

Back on the set I tell Oliver that Graydon is willing to be in the film with lines. Oliver finds that intriguing.

Oliver shoots the piano recital scene over and over again from different angles all afternoon. Financial wizard Don Marron saunters on the set to visit and Oliver spontaneously puts him in a scene chatting with Josh. Carrie Mulligan hangs out watching boyfriend Shia work.

At sundown Julia Koch has to race from reel to real life and explain to her husband where she has been all day. (He loves it.)

Chuck Pfieffer plants a "Page Six" item and the next day socialites begin calling me to get into the film.

Thursday, November 5, Shun Lee Restaurant, West 65th Street

Oliver shoots a crowded tight interior scene with Michael, Carrie and Shia, who are having an intimate Chinese dinner. Spontaneously, Oliver decides this is the perfect scene for Graydon Carter. After a flurry of calls, Graydon arrives on set, and playing himself, sashays by the table. Gekko jumps up to say hello and Graydon brushes him off with a few dismissive lines.

Monday, November 9, 25 Broadway

One hundred swells show up at the former Canard Shipping building, a massive Italianate hall, at the crack of dawn for the Alzheimer's Ball, a grand charity event.

Susan Hess and I are chauffeured downtown with our Vera Wang gowns and report to the VIP extra holding area where we join Prince Dimitri of Yugoslavia in a bespoke dinner jacket, journalist Christopher Mason, songstress Yanna Avis, photographer Kelly Klein, art dealer Larry Gagosian's girl friend Shala Monroque in see-through Rodarte, beauty executive Olivia Chantecaille, producer Lawrence Robins, author Jackie Weld Drake, Vogue film critic Joan Juliet Buck, fashion consultant Jill Fairchild, CNN's Felicia Taylor and Italian newsman Mario Calvo-Platero.

Ellen Mirojnick and her costume department have assembled racks of the most expensive elaborate designer gowns and work at break neck speed styling while we wildly strip to our undies in a makeshift dressing area. Ellen pours me into a black tulle Marchesa with a enormous wired silver bow. Twenty hairdressers and make-up artists systematically work on 250 extras. A mile of tables are alternately filled with steaming coffee, fattening breakfast foods, hair sprays, mirrors, shoes and jewelry. It's a madhouse of excitement.

We are led to the part of the set used for the cocktail reception and placed around Michael Douglas and Charlie Sheen stand-ins. Charlie has been flown in from LA for half a day's work to reprise his original character. He is now the highest paid television actor commanding two million dollars an episode of "Two and a Half Men."

Oliver arrives on the set greeting, examining, tweaking the shot and always pulling the prettiest girls closest to the camera. Michael and Charlie arrive from their trailers and run their lines as socials drift into their sight lines challenging their concentration on pages of dialogue. Oliver yells, "Action" as the extras aggressively jockey for face time. Charlie is not having an easy day and they do take after take. My corporate husband Chuck Pfieffer has gotten his real girlfriend Lisa Crosby in the film and my marriage has become a threesome.

Sensing our concern of not making it onto the silver screen Oliver tells his first assistant director to seat a dinner table with Susan Hess, Jill Fairchild, Prince Dimitri, Chuck Pfieffer, Grace Meigher and Mario Calvo-Platero. He directs us to chat with each other turning left and right as the camera closely pans past our faces.

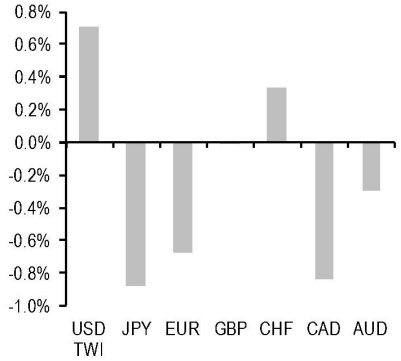
Elsewhere on the set are John Buffalo Mailer, as Shia's character's best friend, Austin Pendleton, 94-year-old Eli Wallach and Natalie Morales. Also in this film are: the magnificent Frank Langella, as Shia's boss, who throws himself in front of a train early in the film, Susan Sarandon as Shia's real-estate broker mother, Sylvia Miles, who reprises her hilarious cameo as another real-estate

senior bank bond holders will lose money and this risk is, in our mind, not yet in the price (*Rethinking the capital structure*, R. Henriques et al., Mar 27).

## Foreign Exchange

- Today's research note, ***Sacrificing Cyprus,*** examines several presumptions which have arisen over the past two weeks due to the Cyprus crisis, and scores them on a scale of truths, half-truths and falsehoods. There are indeed some right conclusions to draw from this experience, but also some wrong ones. As examples, it is true that capital controls have created a two-tier euro, but very unlikely that Cyprus is exiting EMU. And while it is true that markets deserve a risk premium for policy uncertainty, the size of the premium should be much lower than in previous crises due to backstops like the OMT.
- For example, during the first Greek crisis in May 2010 EUR undershot by 10% relative to cyclical conditions at that time, and during Greek elections in May 2012 the currency undershot by 5%. The combination of Italian and Cypriot events have eliminated the euro's overvaluation from early 2013, when the currency spiked to the high $1.30s on a presumption that LTRO funds would be repaid rapidly, driving European rates higher. The currency is now close to fair value, so carries no risk premium for contagion. The message is similar in vol markets: the 1% premium for 3-mo implied versus realized vol is far less than the 5% premium witnessed during previous crises.
- While there is no evidence that the EUR/USD cash or options market carries a risk premium, it is also true that the required premium should probably be far less than in previous crises given that a sovereign funding backstop like the OMT is in place. We are thus **reluctant to extrapolate this mini-crisis into a systemic event which triggers broad deleveraging**, or to forecast trend euro weakness. The currency could trade down a couple of cents around an ECB rate cut, but assuming that fears around Cyprus contagion pass in a month or two, the currency should reverse its recent decline by the summertime.

FX weekly change in USD




Source: J.P. Morgan

## Commodities

- **Commodities rallied this week, up almost 2%, led by energy.** We went tactically **long Brent** in last week's *J.P. Morgan View* as we believed that the correction in oil markets had brought prices too far below our price forecast of $112/bbl. Since then Brent is up around 1.5%. We stay long and expect further price appreciation over coming months. We are also **short gasoline vs. Brent**. Gasoline cracks (the premium for gasoline over crude prices) spiked over the first three months of the year due to a combination of low inventories and refinery closures that came during refinery maintenance season. As refinery maintenance comes to a close and demand falls seasonally, gasoline prices should fall relative to Brent.
- We went long **Soybean time spreads** late last year (*GMOS*, Dec 5) on a view that much higher Brazilian supplies would find it difficult to leave the country due to logistical constraints. Since then we have seen a record number of ships planning to load soybeans in Brazilian ports and this number is still rising. The average waiting time before loading is also rising, now 38 days compared to 26 days a month ago. This has caused the front Soybean contract to rally while longer maturity contracts have been depressed by the much higher than normal supply inside the country. The spread between the May-13 and Jul-13 contracts has doubled since we put the trade on in December. **We stay long** as we think these logistical issues are unlikely to be resolved anytime soon.

**More details in ...**

FX Markets Weekly, John Normand et al.
Commodity Markets Outlook & Strategy, Colin Fenton et al.
Oil Markets Monthly, Colin Fenton et al.
Daily Metals Note, Colin Fenton et al.
Agriculture Weekly, Dietz et al.



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*Alex Rowell joined NOW in Beirut as a reporter and blogger in February 2012. A British citizen, he was raised in Dubai and studied economics in London.*

Article 3.

The Economist

# India's next prime minister: The Modi era begins

May 18th 2014 -- IN THE days since May 16th when Narendra Modi and his Bharatiya Janata Party (BJP) stormed to victory in India's general election much commentary has wrestled with the idea of history. Most commentators seem to agree that May 2014 marks an historic moment. One reason is the scale of Mr Modi's landslide victory, which scooped up 282 seats for the BJP and thus an absolute majority in parliament. That is first time since 1984 that any party has won a majority for itself. It is also the first time ever that a party other than Congress has done so. Conversely, the defeat for Congress is far worse than anything in its long history of dominating Indian politics: it won fewer than a sixth the seats of its rival, getting just 44. In much of north India, the political heartland, Congress was wiped out. Some correctly ask if its eventual recovery (assuming that will happen one day) would require being rid of the Nehru-Gandhi dynasty that has been at its heart for so long.

Yet the size of Mr Modi's victory, and Congress's defeat, tells only part of the dramatic story. The immense dissatisfaction with Congress was undeniable. Voters were unhappy with high inflation, slowing growth, weak leadership, corruption and much more. Such voter grumpiness, usually summed up as "anti-incumbency", is all but inevitable for a party that had been in power for a decade. Yet more has happened here. Take, for example, the utter defeat of the Bahujan Samaj Party of Mayawati, the Dalit leader in Uttar Pradesh. She was not an incumbent and her party

reasonable and realistic leaders should have nothing to fear from Egypt, with which it has an enduring peace treaty.
The situation with Syria may not be exactly the same, however, especially when the two countries are still officially in a state of war. The regime of Bashar Assad, and his father before him, would have never started a war with Israel unilaterally. It also suited them not to have a peace treaty. Any new Syrian leader is not likely (for a considerable period of time) to initiate a move toward a peace agreement with Israel as this will weaken his position domestically. Nor will he launch a war, however, since such a war will not result in victory. A democratic regime in Syria, or any other Arab country for that matter, will need a good 10 years to build democratic institutions and stabilize a modern market economy needed in any democracy. So, war won't be on the agenda in the near future.
Prosperity increases the public's stake in a stable economy, and this will make people want to compromise to make their country more prosperous and stable. However, everything will depend on how prepared the free world is to help new democracies in the Middle East survive and prosper. Small Islamic groups, organized and armed with religious zeal, could hijack power from the moderates. This would lead to a disaster for the whole region. Therefore, it is imperative for the free world, Israel included, not to leave matters to chance. A proactive stance is needed to nurture democracy and help moderate forces organize themselves in order to govern the region

*Hamid Alkifaey is a writer and journalist. He was the first government spokesman in post-Saddam Hussein Iraq and is founder-leader of the Movement for Democratic Society. Currently he is researching democratization at the University of Exeter in the U.K.*

**From**: Michael Wolff [redacted]
**Sent**: 3/18/2016 3:39:39 PM
**To**: Jeffrey Epstein [jeevacation@gmail.com]
**Subject**: Patterson

**Importance**: High

A few things to think about:

If the Patterson book is being published in August, that presents some time frame issues. You would not be able to do a competing book or documentary before then. This is not to say that they shouldn't be pursued. In a sense, better that they know what Patterson's position is and, a year from now say, be able to counter it. I have some thoughts on book and doc to share at your convenience.

That being said, you do need an immediate counter narrative to the book. I believe Trump offers an ideal opportunity. It's a chance to make the story about something other than you, while, at the same time, letting you frame your own story. Also, becoming an anti-Trump voice gives you a certain political cover which you decidedly don't have now. Still, this necessary involves you going public. And so the most basic decision is about your willingness to do that. My view is that in a couple of weeks you could master message and technical proficiency. I know a bunch of people who could be very helpful here. This would involve something along the lines of you writing an op-ed, doing a high profile television interview (Charlie Rose, I'd say), and perhaps some social media efforts.

Speaking of which, again, I think a strategic plan, involving your public identity, philanthropic activities and interests, and the development of media allies, ought finally to be put in place. A big, comprehensive, expensive effort.

The alternative is to continue to keep head down and hope Patterson book is just more he-said she-said and Connolly getting lost in the reeds (which, as an inveterate conspiracist, he always does). My worry is that Patterson can be counted on to produce a bestseller, and while he isn't regarded as a serious writer, he'll surely be unloading a lot of tabloid copy. Because this will be tied to the election, the Trump-Clinton angle will amp up the attention 10-fold, in fact, possibly, a hundred fold. Possibly more than anything you've encountered before.

Meanwhile--

In a lawyer's letter, I'd suggest including the following points--not necessarily legal, but a warning about how a press campaign might unfold (publishers are more worried about being caught in negative media controversy than they are of legal threats):

1) Little, Brown has made on the record representations to at least one well-known journalist that it was not publishing a book by James Patterson about Jeffrey Epstein--possibly an effort to avoid inquiries about the questionable nature of the book;

2) The actual author of the book, John Connolly, is someone other than the stated author, James Patterson. Connolly is known to have developed an obsession with Epstein, such that, his longtime employer, Vanity Fair, has refused to allow him to write about Epstein for the magazine;

3) Sources have confirmed for us that Patterson has had little more than a minimal consulting role in the book, and that Connolly has functioned in every material way as the book's researcher and writer. We believe Patterson's "authorship" of the book will not stand up to scrutiny. And, indeed, that the entire notion of an

# Nobel Charitable Trust ②

## Purpose of Efforts

◆Contributing to the stable preservation of our planet and the development of our environment through sustainable energy resources by providing grants to efforts in the fields of natural conservation, natural resources and energy, education, culture and other relevant areas.
◆Support activities to improve children's environments and education conditions and provide learning experiences around the world as children will bear the future of energy.

## Description of Activities

Engage in activities such as disclosing information on environmental improvement, formation of a fund division, obtaining support from researchers in the field of environmental improvement, providing grants to corporations, organizing environment forums and expos etc.
Promote exchange of information by networking with charity organizations.
Seek and review support members amongst organizations and corporations, and work to expand networks and disclose information relating to environmental improvement mainly throughout East Asia.

### Establishing Certificates of Merits and NCT Awards for Fields in Environmental Technology, Contribution to Society, Environmental Design, Renewable/Alternative/Sustainable Energy

With recommendations from a qualified committee, various awards will be granted to individuals and/or organizations who have attained the best achievements or most practical inventions in the above fields. (Selection from 4 Categories – Politician, Researcher, Artists, Corporations)

◆Awards shall be granted at every selection ceremony. A medal/certificate /scholarship will be awarded in accordance with the various awards.

◆Individuals Candidates will be selected from around the world – Scientist who have made a contribution through sciences, politicians who have made a contribution through policies, artists who have made a contribution through the arts.

◆Organizations: Candidates will be selected from around the world - When an organizations or corporation that have made a contribution through their products has been selected, such invention (product) shall be granted with the NCT accreditation mark..

◆NCT is a non-profit organization and has no connection to any political organization, corporations or government agencies.

### Grants

1. Grants to researches and projects relating to water, natural resources and energy
2. Grants to researches in natural conservation, education, culture and other relevant areas.
3. Grants to projects that educate the younger generation on environmental, educational and cultural issues.
4. Grants to researches and projects in the above fields conducted in foreign countries, especially in developing countries.
5. Other projects necessary for NCT to fulfill its objectives.

### Services to Members

- Distribution of The "Nobel Family", a monthly web mail service.
- Providing consulting, information and education on technologies for environmental improvement
- Information on seminars and other events hosted by NCT


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Article 5.

Newsweek

# Dr. K's Rx for China

Niall Ferguson

May 15, 2011 -- Secretary of State Hillary Clinton thinks the Chinese government is "scared" of the Arab Spring. "They're worried," she told Jeffrey Goldberg in the latest Atlantic, "and they are trying to stop history, which is a fool's errand. They cannot do it." These are words—intemperate, undiplomatic, and very likely counterproductive—that you cannot imagine being uttered by her predecessor Henry Kissinger. It is now 40 years since Kissinger went on his secret mission to China, to pave the way for President Richard Nixon's historic visit the following year. Since then he has visited the country more than 50 times. And if there is one thing he has learned, it is this: the real fool's errand is to lean on the Chinese. Much has changed in the world since Kissinger's first trip to China. (In 1971, who would have dared to predict that America's public enemy No. 1 would be a Saudi-born Islamic fundamentalist skulking in a walled compound in Pakistan?) But at least two things in American foreign policy remain consistent: the relationship with mainland China, revived by Kissinger after more than 20 years in the deep freeze, and Kissinger himself, consulted formally or informally by every president from John F. Kennedy to Barack Obama. On China, Kissinger's new book, is a reminder of why our leaders still want to pick his brains. Eighty-eight years old this month, he remains without equal as a strategic thinker. The opening to China is a story Kissinger has told before: how he and Nixon had discerned that country could become a strategic counterweight to the Soviet Union; how he secretly flew to China after feigning illness in Pakistan; how he and Premier Zhou Enlai hammered out the diplomatic basis for

Epstein and Maxwell. Who is he? And the British, especially, want to know: Who is she? At this point, I am so bored of repeating myself to others—it was, after all, my 2003 *Vanity Fair*story that really brought him into the limelight —that I have decided to write about this myself.

Bizarrely, perhaps, I have gotten to know Jeffrey and Ghislaine far better *after* my piece than before it. I kept running into both of them, separately, at parties. Jeffrey is not a social animal so he usually has a couple of young women with him who stand two feet behind him, as if serving a monarch. "Do they speak?" I remember asking him once, nodding at his lookalike blondes. He laughed. "Not like *you,*Vicky," was his riposte.

I remembered that when we'd once discussed math—in particular, an isosceles triangle—and I revealed I hadn't studied math since I was 14 (such is, or was, the way of the British educational system), I received a package at home via messenger. It was a book: "Math for idiots."

So he is not without humor, even though he doesn't drink or smoke, and hates restaurants.

"Jeffrey knows a good deal about most subjects," newspaper publisher Mort Zuckerman told me last week. He was certainly preaching to the converted. The truth is, Epstein *does* know a lot about a lot of things. Just a few moments in his company and you know this to be true.

When I saw pictures of Prince Andrew walking in Central Park with Jeffrey, my immediate thought was that "Andy" —as Jeffrey calls him—is probably asking for help with his role as British trade envoy, or whatever his strange title is. Because if one thing's for sure: When it comes to international business, Jeffrey knows what he's talking about far more than "Andy" does. Which is why Leon Black, Mort Zuckerman and a few other financiers hang out with him.

And Ghislaine?

Full disclosure: I like her. Most people in New York do. It's almost impossible not to.

She is always the most interesting, the most vivacious, the most unusual person in any room. I've spent hours talking to her about the third world at a bar until 2am. She is as passionate as she is knowledgeable. She is curious. She has spent weeks at the bottom of the ocean, literally going deeper than anyone else. She has sent me a DVD of the fish there. Her rolodex would blow away almost anyone else's I can think of—probably even Rupert Murdochs'. She is very well-read and can talk about most things for hours. She is passionate about Bill Clinton with whom she is close friends.

Yet, touchingly, when she had to give a speech at the 40th birthday party of her best friend, Ariadne Calvo-Platero, (known fondly to her close friends as "the Tennis Goddess") Ghislaine shook a little with nerves. When it comes down to things she really cares about—and Ariadne is one of them—Ghislaine shows her vulnerability.
And that vulnerability is key to understanding her friendship with Jeffrey.

"He saved her," I remember a close friend of mine telling me. "When her father died, she was a wreck; inconsolable. And then Jeffrey took her in. She's never forgotten that—and never will."

In many ways, the socially awkward Epstein with his big house, plane, island and ranch was the perfect replacement for her father, the late Robert Maxwell, newspaper tycoon and criminal. Sure, Jeffrey had his sexual pecadillos, but then Ghislaine's father was not without his oddities. After all, it was he who died leaving a massive "black hole" he'd fraudulently created. To Ghislaine, Jeffrey's habits may not have seemed that strange.

In fact, she probably figured, rather like I have, after years of writing about he very rich, that most successful people in the end either have some weird habit (the late Bruce Wasserstein had the weight issues, the girl issues, and moved countries to avoid paying tax), or they break the law (Sam Waksal, Martha Stewart.) You don't tend to get to the top by being the world's most balanced human being. Even the folksy Warren Buffett didn't quite manage a normal life —whatever that is. He had a second "wife" for many years whose existence he has been open about.

Article 4.

Guardian

# Why Israel is wrong about Iran

Meir Javedanfar

25 June 2011 -- Israel's former intelligence chief, Meir Dagan, has been subjected to a firestorm of criticism – from the Israeli government as well as sections of the media – since he stated that attacking Iran's nuclear installations would be "a stupid idea".
So strong has been the reaction that the prime minister's office even asked him to return his diplomatic passport. What seems to be bothering some Israelis, including Ari Shavit, the respected Haaretz journalist, is that Dagan has now "made the Iranians think they can continue galloping to the bomb because they are not in any real danger". This claim, though, is a clear example of where some in Israel are getting it wrong with regard to Iran and what the Iranian leadership perceives as serious threats. Israel has to realise that the Tehran regime is more petrified by what is happening to its economy and among its own population than by the possibility of a military attack from Israel. When it comes to using violence, this regime has had 32 years of experience. It can cope. However, the regime is so frightened of its own population that it breaks up silent demonstrations. It panicked when the shooting of Neda Agha Soltan was filmed and broadcast to the world. It even went as far as to temporarily ban books by Paulo Coelho – simply because his editor in Iran, Arash Hejazi, was seen trying to save Neda's life.
Dagan could be wrong in his assessment but, even if he is right, it does not mean that cessation of a military threat from Israel would induce the Iranian government to "gallop ahead" towards the bomb without any concern. The biggest reason why Iran's supreme leader, Ali Khamenei, has agreed to talks during the last few years is not the

Article 2.

Stratfor

# Israeli-Arab Crisis Approaching

George Friedman

August 22, 2011 -- In September, the U.N. General Assembly will vote on whether to recognize Palestine as an independent and sovereign state with full rights in the United Nations. In many ways, this would appear to be a reasonable and logical step. Whatever the Palestinians once were, they are clearly a nation in the simplest and most important sense - namely, they think of themselves as a nation. Nations are created by historical circumstances, and those circumstances have given rise to a Palestinian nation. Under the principle of the United Nations and the theory of the right to national self-determination, which is the moral foundation of the modern theory of nationalism, a nation has a right to a state, and that state has a place in the family of nations. In this sense, the U.N. vote will be unexceptional.

However, when the United Nations votes on Palestinian statehood, it will intersect with other realities and other historical processes. First, it is one thing to declare a Palestinian state; it is quite another thing to create one. The Palestinians are deeply divided between two views of what the Palestinian nation ought to be, a division not easily overcome. Second, this vote will come at a time when two of Israel's neighbors are coping with their own internal issues. Syria is in chaos, with an extended and significant resistance against the regime having emerged. Meanwhile, Egypt is struggling with internal tension over the fall of President Hosni Mubarak and the future of the military junta that replaced him. Add to this the U.S. withdrawal from Iraq and the potential rise of Iranian power, and the potential recognition of a Palestinian state - while perfectly logical in an abstract sense -

Incident 3:

- A former Case Western physics department administrator confirmed that she had reported a previous incident involving a student who had confided in her about your inappropriate behavior towards her.

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- You met a student from another university, an atheist activist, in March 2008 at the American Atheists Convention in Minneapolis. She wanted to expand the atheist group she ran at the midwestern university she was attending, and hoped to convince you to come and speak. You initially seemed enthusiastic.
- During the convention, attendees including you and Richard Dawkins went for dinner with the student and volunteers for Dawkins' foundation.
- Afterwards, the student invited you to join the volunteers for a drink.
- You asked her to come get you in your hotel room. She was wary of your intentions, and so brought a male friend with her. Opening the door to find them both there, you informed her you had decided not to go.
- You met this student again at the American Atheists Convention in Des Moines, Iowa, in April 2011.
- You pulled over a chair for her in the bar, and then started running your hand up her leg under the table.
- She tried to shift her body away from you, and you persisted in putting your hand on her leg. She crossed her legs, and you kept trying. Then she turned her entire body away.

Incident 5:

- This incident allegedly occurred on in May 2011 on a CFI cruise. We understand that CFI staff were informed that you had propositioned a female cruise-goer, who rejected an invitation to join you and your female companion for sex in your cabin.
- At least two CFI staffers were sufficiently concerned about reports of your behavior that they urged CFI's president not to invite you on a 2014 cruise of the Galápagos Islands. You were invited on that cruise, however.

Incident 6:

- During a visit to Melbourne, Australia, in November 2016, you were accused of sexual misconduct once again.
- The incident happened at a dinner held at the Melbourne Zoo as part of the Australian Skeptics National Convention, where you were a featured speaker.
- With conference delegates chatting over drinks, a woman asked you for a celebrity selfie.
- As the woman held out her phone to take the picture, you reached over her shoulder and grabbed her right breast.
- She immediately reacted, bodychecking you and spinning around. "Don't do that," she said.
- BuzzFeed News has seen the complaint made by another woman to ASU, ANU, and the New College of the Humanities in London, including the selfie, her face obscured to conceal her identity. It shows your hand in motion as a blur in front of her shoulder, apparently moving toward her chest. Two other eyewitnesses have confirmed the complainant's account of what happened.
- In April 2017, the complainant described the incident on her blog. After hearing more about your reputation for inappropriate behavior from blog readers, she decided to file a complaint about the Nov. 2016 incident.
- On July 16, she filed formal complaints with Arizona State University, and with the Australian National University in Canberra and the New College of the Humanities in London, where you have visiting appointments.

The court contrasted the concept of "reasonable particularity" with mere general knowledge of an event or topic, finding that mere "prior knowledge [of a topic] . . . cannot suffice to establish [the government's] prior knowledge of the existence and location of the documents relating or referring to those topics." *Id.* at 326. Ultimately, the court held that "[b]ecause the government has failed to show with reasonable particularity that it knew of the existence and location of most of the subpoenaed documents . . . Ponds' act of production was sufficiently testimonial to implicate his right against self-incrimination under the Fifth Amendment to the Constitution." *Id.* at 316.

*B. Because the Committee's subpoena fails to demonstrate with reasonable particularity prior knowledge of the requested documents, General Flynn's act of production would be testimonial in nature.*

The great breadth of the Committee's subpoena to General Flynn suggests that his act of producing the requested documents, if they even exist, would be testimonial in nature, given that the Committee has not demonstrated knowledge of the "existence, possession, and authenticity of the subpoenaed documents with reasonable particularity such that the communication inherent in the act of production can be considered a foregone conclusion." *Id.* at 324. Schedule A of the subpoena requests production of:

> 1. A list of all meetings between you and any Russian official or representative of Russian business interests which took place between June 16, 2015, and 12pm on January 20, 2017. For each meeting listed, please include the date, location, all individuals present, and complete copies of any notes taken by you or on your behalf.
>
> 2. All communications records, including electronic communications records such as e-mail or text messages, written correspondence, and phone records, of communications that took place between June 16, 2015, and 12pm on January 20 2017, to which you and any Russian official or representative of Russian business interests was a party.
>
> 3. All communications records, including electronic communications records such as e-mail or text message, written correspondence, and phone records, of communications related in any way to Russia, conducted between you and members and advisors of the Trump campaign prior to 12pm on January 20, 2017.

In sum, the subpoena demands a list of "*all* meetings" with "*any* Russian official," "*all* communication records" with "*any* Russian official," and "*all* communication records . . . related *in any way* to Russia" conducted with unnamed "members and advisors of the Trump campaign," that occurred over an 18-month period. The broad sweep and lack of specificity of these demands clearly reflect that the Committee does not have specific knowledge regarding

Karim Gharbawi is an architect and building designer with 10 projects under way, all of them eight- and nine-story residential properties. He said there were some 130 engineering and design firms in Gaza. Two years ago, none were working. Today, he said, all of them are.

Another result of the regional changes is the many new cars here. Israel allows in 20 a week, but that does not meet the need. Hundreds of BMWs, pickup trucks and other vehicles have arrived in recent months from Libya, driven through Egypt and sold via the unmonitored tunnels. Dozens of white Kia Sportage models, ubiquitous on the street, are widely thought to have come from the same dealership in Benghazi, Libya, that was looted after the uprising there began.

Hamas's control of Gaza appears firmer than ever, and the looser tunnel patrols in Egypt mean greater access to weapons as well. But opinion surveys show that its more secular rival, Fatah, is more popular. That may explain why an attempt at political unity with Fatah is moving slowly: the Hamas leaders here are likely to lose their jobs. The hospital supply crisis is a direct result of tensions with Fatah in the West Bank, which has kept the supplies from being shipped here.

Efforts by fringe Islamist groups to challenge Hamas have had little effect. And it has been a year since the government unsuccessfully sought to impose tighter religious restrictions by banning women from smoking water pipes in public. On a recent afternoon in the new Carino's restaurant — with billiards, enormous flat-screen televisions, buttery-soft chairs — women without head coverings were smoking freely.

But such places and people represent a wafer-thin slice of Gazan society, and focusing on them distorts the broader and grimmer picture.

**From:** [redacted]
**Sent:** 2/6/2011 9:35:06 PM
**To:** jeevacation@gmail.com
**Subject:** Re: You should see this movie/documentary

seems very one-sided and as if the makers didn't quite see the bigger picture
i'm not sure the finance industry really had too much of a choice

-----Original Message-----
From: Jeffrey Epstein <jeevacation@gmail.com>
To: [redacted]
Sent: Sun, Feb 6, 2011 5:27 am
Subject: Re: You should see this movie/documentary

it is very unfair, and misrepresents tons of inf

On Sun, Feb 6, 2011 at 3:26 AM, [redacted] wrote:

Inside Job (2010)
NYT Critics' PickThis movie has been designated a Critic's Pick by the film reviewers of The New York Times.

Sony Pictures Classics
Henry Paulson, Ben Bernanke and Timothy Geithner in the documentary "Inside Job."
Who Maimed the Economy, and How
By A. O. SCOTT
"Inside Job," a sleek, briskly paced film whose title suggests a heist movie, is the story of a crime without punishment, of an outrage that has so far largely escaped legal sanction and societal stigma. The betrayal of public trust and collective values that Mr. Ferguson chronicles was far more brazen and damaging than the adultery in Nathaniel Hawthorne's novel, which treated Hester more as scapegoat than villain.
The gist of this movie, which begins in a mood of calm reflection and grows angrier and more incredulous as it goes on, is unmistakably punitive. The density of information and the complexity of the subject matter make "Inside Job" feel like a classroom lecture at times, but by the end Mr. Ferguson has summoned the scourging moral force of a pulpit-shaking sermon. That he delivers it with rigor, restraint and good humor makes his case all the more devastating.
He is hardly alone in making it. Numerous journalists have published books and articles retracing the paths that led the world economy to the precipice two years ago. The deregulation of the financial services industry in the 1980s and '90s; the growing popularity of complex and risky derivatives; the real estate bubble and the explosion of subprime lending – none of these developments were exactly secret. On the contrary, they were celebrated as vindications of the power and wisdom of markets. Accordingly, Mr. Ferguson recycles choice moments of triumphalism, courtesy of Lawrence H. Summers, George W. Bush, Alan Greenspan and various cable television ranters and squawkers.
Even as stock indexes soared and profits swelled, there were always at least a few investors, economists and government officials who warned that the frenzied speculation was leading to the abyss. Some of these prophets without honor show up in front of Mr. Ferguson's camera, less to gloat than to present, once again, the analyses that were dismissed and ignored by their peers for so long.
Dozens of interviews – along with news clips and arresting aerial shots of New York, Iceland and other disaster areas – are folded into a clear and absorbing history, narrated by Matt Damon. The music (an opening song, "Big Time," by Peter Gabriel, and a score by Alex Heffes) and the clean wide-screen cinematography provide an aesthetic polish that is welcome for its own sake and also important to the movie's themes. The handsomely lighted and appointed interiors convey a sense of the rarefied, privileged worlds in which the Wall Street operators and their political enablers flourished, and the elegance of the presentation also subliminally bolsters the film's authority. This is not a piece of ragged muckraking or breathless advocacy. It rests its outrage on reason, research and careful argument.
The same was true of Mr. Ferguson's previous documentary, "No End in Sight," which focused on catastrophic policies carried out in Iraq by President George W. Bush's administration just after the overthrow of Saddam Hussein. But whereas that film concentrated on a narrow view of a complex subject – the conduct of the war rather than the at least equally controversial rationale for fighting it – "Inside

Article 3.

The Financial Times

# Why Assad need not fear Gaddafi's fate

Ed Husain

August 23, 2011 -- The dramatic scenes in Tripoli are already being seized upon by those keen to depose other despotic regimes. Taken alongside the unstable situation in Syria, there is now a risk of a dangerous moment of western triumphalism. This must be resisted, especially given that the odds of overthrowing dictator Bashar al-Assad are so small.

After months of holding his nerve, US president Barack Obama last week succumbed to calls from commentators and Syrian opposition leaders, and demanded Mr Assad's removal. The decision was a mistake. Earlier in the week, Hillary Clinton, secretary of state, noted that, "if the US called for Mr Assad's head, then what?". And, indeed, then what? I lived in Syria for two years and still visit regularly, so I know only too well that the US is viewed with deep animosity. Officials told me many times, and with straight faces, that America is at war with Arabs and Muslims – a view also ingrained among the wider population, particularly after the Iraq war.

Calls for regime change will thus help Syria, as Mr Assad defies the west with ease. As elsewhere in the Middle East, defying Washington is a cause of strength and popularity, as Hamas, Hezbollah and Iran show. Every passing day will now be seen as a humiliation for Mr Obama, while the fragmented and shambolic Syrian opposition will be more credibly dubbed "American stooges" or "Zionist agents". For a population that is vehemently anti-American and anti-Israel, such labels are powerful and destructive.

The regime has been barbaric in responding to the brave people on the streets, but we must be careful about accepting the narrative that

**Immigration/borders:** Obama insists that enacting comprehensive immigration reform, which would likely include a path to citizenship for at least some illegal immigrants already in the United States, is still a "top priority," but with little congressional enthusiasm for such a measure, it has been pushed to the back burner for now. Meanwhile, deportations of illegal immigrants are continuing at a record pace, though the administration touts the fact that a higher percentage of those deported have criminal records.

Obama has substantially increased the number of agents patrolling the U.S.-Mexico border, but has also mocked the fence-building enthusiasm of Republicans, saying they won't be happy until there's a "moat with alligators."

**Israel/Palestine:** Obama's engagement in the Israeli-Palestinian peace process has probably been the most frustrating foreign-policy initiative of his presidency and the one on which he is most often criticized by his Republican opponents. Obama continues to support negotiations on a two-state settlement of the conflict, but his best-remembered statement on the topic is controversial: his suggestion that Israel's pre-1967 war borders be taken as a starting point for negotiations, a position fiercely opposed by Israel. More recently, the administration has confirmed that it will veto Palestine's statehood bid in the U.N. Security Council.

Obama's relationship with Prime Minister Benjamin Netanyahu has seemed very strained at times. In a recently overheard conversation he told French President Nicolas Sarkozy, "You're fed up with him? I have to deal with him every day."

**China:** Obama has repeatedly criticized China -- most recently at the APEC summit in Honolulu -- for currency policies that he says have

- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

- In an incident that occurred in fall of 2007 while you were a physics professor at Case Western Reserve University, a student tried to talk to you about her plans after graduation. You mentioned to her how tough it must be to have all the other physics majors asking her out on dates.
- In a second incident in December of 2007, while you were still at Case Western, the same student visited your office to interview you for a student science journal. You closed the door behind her, and ignored the questions she had prepared. Then you made a casual comment about taking her out for dinner.
- Later, in a regular column for the school paper, she described her experiences with you, without mentioning you by name. "There was even one particular creep of a professor who once told me he thought differently of me compared to other students and asked me to dinner: a situation so disturbing that it left me upset for weeks afterward," she wrote.
- She was then approached by a dean at the university, who suspected that she was referring to you, based on a previously reported incident with another student. He encouraged her to make a complaint, and she did.
- University investigators interviewed both you and the student.
- On September 4, 2008, Susan Nickel-Schindewolf, the university's associate vice president for student affairs, wrote to the student, telling her that the investigation was complete. She wrote that you had been told: "This type of behavior could constitute sexual harassment in violation of the university's sexual harassment policy."
- The letter also stated that you were prohibited from making contact with the student as long as she remained at Case.
- The letter also stated that you are required to get approval from the dean or the chair of the physics department before setting foot on the campus again.
- The letter also stated, "Dr. Krauss expressed regret about having a negative impact on you, and also his willingness to use this complaint as an opportunity to reflect and improve on his future interactions with students."
- By then, you had already left Case, taking up your current position at Arizona State University the month before.
- "The opportunities being offered at ASU are simply too great to turn down at this stage in my career," you told Case colleagues, in an email announcing your departure on April 16, 2008.

Incident 3:

- A former Case Western physics department administrator confirmed that she had reported a previous incident involving a student who had confided in her about your inappropriate behavior towards her.

Incident 4:

Article 7.

The National Interest

# The Good Autocrat

Robert D. Kaplan

June 21, 2011 -- IN HIS extended essay, On Liberty, published in 1859, the English philosopher John Stuart Mill famously declares, "That the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others." Mill's irreducible refutation of tyranny leads him to—I have always felt—one of the most moving passages in literature, in which he extols the moral virtues of Marcus Aurelius, only to register the Roman's supreme flaw. Mill writes:

If ever any one, possessed of power, had grounds for thinking himself the best and most enlightened among his contemporaries, it was the Emperor Marcus Aurelius. Absolute monarch of the whole civilized world, he preserved through life not only the most unblemished justice, but what was less to be expected from his Stoical breeding, the tenderest heart. The few failings which are attributed to him, were all on the side of indulgence: while his writings, the highest ethical product of the ancient mind, differ scarcely perceptibly, if they differ at all, from the most characteristic teachings of Christ. And yet, as Mill laments, this "unfettered intellect," this exemplar of humanism by second-century-AD standards, persecuted Christians. As deplorable a state as society was in at the time (wars, internal revolts, cruelty in all its manifestations), Marcus Aurelius assumed that what held it together and kept it from getting worse was the acceptance of the existing divinities, which the adherents of Christianity threatened to dissolve. He simply could not foresee a world knit together by new and better ties. "No Christian," Mill writes, "more firmly believes

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- A former Case Western physics department administrator confirmed that she had reported a previous incident involving a student who had confided in her about your inappropriate behavior towards her.

Incident 4:

- You met a student from another university, an atheist activist, in March 2008 at the American Atheists Convention in Minneapolis. She wanted to expand the atheist group she ran at the midwestern university she was attending, and hoped to convince you to come and speak. You initially seemed enthusiastic.
- During the convention, attendees including you and Richard Dawkins went for dinner with the student and volunteers for Dawkins' foundation.
- Afterwards, the student invited you to join the volunteers for a drink.
- You asked her to come get you in your hotel room. She was wary of your intentions, and so brought a male friend with her. Opening the door to find them both there, you informed her you had decided not to go.
- You met this student again at the American Atheists Convention in Des Moines, Iowa, in April 2011.
- You pulled over a chair for her in the bar, and then started running your hand up her leg under the table.
- She tried to shift her body away from you, and you persisted in putting your hand on her leg. She crossed her legs, and you kept trying. Then she turned her entire body away.

Incident 5:

- This incident allegedly occurred on in May 2011 on a CFI cruise. We understand that CFI staff were informed that you had propositioned a female cruise-goer, who rejected an invitation to join you and your female companion for sex in your cabin.
- At least two CFI staffers were sufficiently concerned about reports of your behavior that they urged CFI's president not to invite you on a 2014 cruise of the Galápagos Islands. You were invited on that cruise, however.

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Incident 6:

**Date:** Tuesday, March 8 2011 08:40 PM
**Subject:** Re: Looking for someone who made the early bet that Middle East would implode...
**From:** Jeffrey Epstein <jeevacation@gmail.com>
**To:** [redacted]

# Jeffrey and Ghislaine: Notes on New York's Oddest Alliance < http://www.vanityfair.com/online/daily/2011/03/notes-on-new-yorks-oddest-couple-jeffrey-epstein-and-ghislaine-maxwell.html>

by *Vicky Ward* <http://www.vanityfair.com/contributors/vicky-ward>

March 8, 2011, 2:30 PM

"I've got a story idea for you. The rebuilding of Indonesia. Or New Orleans. Or both. Go there. I've just been. You will never think the same way about anything again."

So spoke not Bill or Melinda Gates, but Ghislaine Maxwell, the 48-year-old woman being written up everywhere at the moment as the alleged "procurer" of young women for billionaire Jeffrey Epstein.

Epstein, 57, is the financier who spent a year in jail on charges of soliciting prostitutes—and now there is talk of another investigation because various women, now in their twenties and thirties, have come forward with allegations that he molested them when they were under-age. The allegations first surfaced in British newspapers, which have zeroed in on Epstein's friendship with Prince Andrew, who has recently tried to publicly disassociate himself from his old pal.

I wrote a piece for *Vanity Fair* in 2003 called "The Talented Mr. Epstein." It was largely a business piece that focused on his mysterious exit from Bear Stearns in 1981, his close relationships with Jimmy Cayne, Les Wexner, the chairman of Limited Brands, and above all, the man who claimed to be his mentor, Steven Jude Hoffenberg, who is currently serving a 20-year-jail sentence for bilking investors in Towers Financial out of $450 million.

The piece alluded to Epstein's great friendship with Maxwell, and how she introduced him to young women with whom he had sexual relationships. But, in the end, the story didn't really go there, focusing instead on the issue that remains a mystery—how Jeffrey made his money, and how Ghislaine made hers.

This is not to say I didn't hear stories about the girls. I did. But, not knowing quite who to believe, I concentrated on the intriguing financial mystery instead. But now the women have come back. Not the same ones, different ones. And their stories are bone-chilling. Journalists from England have phoned—and, in one case, flown—to ask me about Epstein and Maxwell. Who is he? And the British, especially, want to know: Who is she? At this point, I am so bored of repeating myself to others—it was, after all, my 2003 *Vanity Fair* story that really brought him into the limelight—that I have decided to write about this myself.

Bizarrely, perhaps, I have gotten to know Jeffrey and Ghislaine far better *after* my piece than before it. I kept running into both of them, separately, at parties. Jeffrey is not a social animal so he usually has a couple of young women with him who stand two feet behind him, as if serving a monarch. "Do they speak?" I remember asking him once, nodding at his lookalike blondes. He laughed. "Not like *you,* Vicky," was his riposte.

I remembered that when we'd once discussed math—in particular, an isosceles triangle—and I revealed I hadn't studied math since I was 14 (such is, or was, the way of the British educational system), I received a package at home via messenger. It was a book: "Math for idiots."

So he is not without humor, even though he doesn't drink or smoke, and hates restaurants.

"Jeffrey knows a good deal about most subjects," newspaper publisher Mort Zuckerman told me last week. He was certainly preaching to the converted. The truth is, Epstein *does* know a lot about a lot of things. Just a few moments in his company and you know this to be true.

When I saw pictures of Prince Andrew walking in Central Park with Jeffrey, my immediate thought was that "Andy"—as Jeffrey calls him—is probably asking for help with his role as British trade envoy, or whatever his strange title is. Because if one thing's for sure: When it comes to international business, Jeffrey knows what he's talking about far more than "Andy" does. Which is why Leon Black, Mort Zuckerman and a few other financiers hang out with him.

**From**: Jeffrey Epstein [jeevacation@gmail.com]
**Sent**: 4/12/2014 11:24:06 AM
**To**: [redacted]

These conspiracy theories are an aberration and an insult to the memory of the crash victims, including the late President himself. As a Pole who *is* at least somewhat aware of the politics and economics of Poland, and a journalist who follows world politics and news developments daily, I am severely disappointed at the number of people that are flocking to these conspiracy theories, and academics and professionals who propagate such ideas should themselves feel ashamed.

Firstly, there is absolutely no proof that there was any sabotage or subterfuge by *either* the Russians *or* the Prime Minister's political allies. Such accusations, then, without presenting any credible evidence, are slanderous.

Also, there would be no political or diplomatic capital gained by either of the "accused"... there would be little for the Russian government to gain - it would be a huge diplomatic embarrassment for the Russian government to be found guilty of essentially assassinating a head of state. Kaczynski was one of the strongest allies of the U.S. among European leaders, and even Russia with its assertive diplomatic policies would not risk a complete breakdown with the U.S. by killing a close ally. International condemnation would also follow, and the President - perhaps even the Prime Minister - would have to resign and wave good-bye to any political career in the foreseeable future. Yes, "even in Russia."

Similarly, for the Prime Minister's party, if he were actually complicit in the crash, that would mean he - or his allies - committed a coup d'etat. Also, there will be early presidential elections in June, which might actually go in favor of the President's party because of a sympathy vote. The "acting" Presidency is in the hands of his party for only two months... so, again, the Prime Minister and his allies have nothing to gain and potentially everything to lose in the June vote.

**Conspiracy-monging cheapens a national tragedy**

Political profit or loss questions aside, however, the conspiracy-monging seems to be taken as a way to discover who's responsible for the tragedy and thus somehow bring them justice. However, it is not a healthy way to deal with the tragedy. It is not conducive to national or personal healing. Furthermore, it disgraces and taints the memory of those who died.

It only cheapens the tragedy and, sadly, may foreshadow what's to come in the coming presidential campaign - the tragedy may be used by certain groups or individuals to propagate their own agenda and assume the presidency.

It is not so different than what has been going on in the U.S., with the "birthers" claiming Barack Obama is not legally the President because he is not actually a citizen, or even natural-born citizen. Not as morbid, of course, but still, in my honest opinion, ridiculous.

Baseless, nonsensical conspiracies simply destroys the abiltiy of the nation and people of Poland to move on and honor the memory of those lost, and cheapens the tragedy that has been felt by Poles as far away as Chicago

**From:** Thomas Jr., Landon [redacted]
**Sent:** 10/19/2016 1:55:18 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Saudi money

**Importance:** High

I have spoken to a lot of ceos of fund outfits who say Saudis have been pulling billions of dollars in separate account money -- not just from BR. And plus I cant believe they would have so much tied up in lock ups.

On Wed, Oct 19, 2016 at 9:48 AM, jeffrey E. <jeevacation@gmail.com> wrote:
sorry, no good handle without digging

On Wed, Oct 19, 2016 at 9:47 AM, Thomas Jr., Landon <[redacted]> wrote:
what is your back of the envelope guess as to much saudi money tied up in such funds?

On Wed, Oct 19, 2016 at 9:43 AM, jeffrey E. <jeevacation@gmail.com> wrote:
most of the saudi money is tied up in pe funds. no withdrawals allowed . and im not seeing much in the secondary market. . blackrock is more money market , more like custodian than investor .

On Wed, Oct 19, 2016 at 9:41 AM, Thomas Jr., Landon <[redacted] wrote:
Interesting. CEO of big finance form told me that Saudis (SAMA) have withdrawn $200 billion that has been parked with usual suspects over past year or so. That number seem in line with what you know?

On Tue, Oct 18, 2016 at 7:04 AM, jeffrey E. <jeevacation@gmail.com> wrote:
words that you to refer to one thing, USA . the stock market / the Royal family, . are no longer very useful. In politics the USA meant the white house. now there is pentagon. cia, state, and congress in addition, each feels empowered to act more independantly. stock market even in tech, needs bio tech, consuner tech. infrastrucrue tech. etc. same with Royal family, there are 20k members of a tribe. called the royal family, the words are misleading. if your article is focused on bin salman, or the very top. no one is wondering where they can find the local costco.. but they are aware that a message needs to be sent to their population , regarding the next 20 years,
social media, and the selfie crowds post the best of everything, their cutest pictures the amazing food , the luxury resorts. the masses see these things and as the difference between expectations and reality widen, the anger grows. trump has tapped in.
with the passage of the 9 11 saudi bill, unlike the french revolution where it was the people of france that revolted against their own aristocracy, with the internet and globalization of discontect it is now the americans that can revolt against the saudi leadership. it is the americans that are demanding women drive. not the saudis

On Mon, Oct 17, 2016 at 5:57 PM, Thomas Jr., Landon <[redacted]> wrote:
I have been called in to help on a big NYT investigation into how low oil prices have been effecting the personal finances of royal family in Saudi Arabia. Obviously they called in much of their cash from the likes of BlackRock and others but I thought you might have some ideas. Maybe some people to talk to?

I would think its more than cutting down on yachts and private planes or selling real estate in Paris, Istanbul, London.

Any thoughts?

# Media Announcements and PR

## Effective PR Activities to Ensure Target Turnout Number is Attained and the Convention is a Success

### Press Release

Official press release of Convention and Awards. Press release by a member of the Nobel Family .

A press release will be held to a wide range of media to announce and topicalize the creation of this new Convention.

**Development Plan**

It is Important to hold a press meeting that will create a buzz to attract as many press and articles releases as possible

■Ensure the attendance of the Nobel Family and other prominent directors

◆ By releasing comments (personally signed) from Prince Charles and Former US Vice President Al Gore, attract media attention worldwide.

①Opening Speech by Host (Chairman)
②Introducing Directors (include comments from Prince Charles and Al Gore)
③ Video of the History of NCT
④Introducing the Nobel Charitable Trust
⑤Summary Presentation of the Convention
⑥Q&A
⑦Schedule up to the Convention
⑧Closing Speech
⑨Photo Session

Press kit and souvenir at the end.

### Website

Opening a website for NCT and the Convention where information of the event will be released.

Opening an official website immediately to accommodate interests generated through the announcement of the press release.

**Development Plan**

■Timely opening of the official website after the press release.
■Active use of the site as an eco product portal site that provides an outline and highlight of the Convention, NCT's official website and links to exhibitors.

◆The dedicated members (Exhibitors Only) page will provide information on exhibitors.
◆Blog-style information of the Convention will be provided.

〈Website Examples〉

### Advertisements

Promote awareness and attract visitors to the Convention through advertisements using mass media.

As this will be the first Convention, it is essential that we reach and penetration the public using mass media to promote widespread awareness of the Convention..

**Development Plan**

**●Newspaper Ads**

Ads in Nikkei Newspaper and others will advertise the event 1 week before the Convention (all 15 columns)

(Example of Ad)

**●Web Ads**

Banner Ads on Yahoo's search engine page ( from a month before Convention)

Link to the official NCT Convention website



HOUSE_OVERSIGHT_031376

He considers three leading theories about what we ought to do – one deriving from Kant, one from the social-contract tradition of Hobbes, Locke, Rousseau, and the contemporary philosophers John Rawls and T.M. Scanlon, and one from Bentham's utilitarianism – and argues that the Kantian and social-contract theories must be revised in order to be defensible.

Then he argues that these revised theories coincide with a particular form of consequentialism, which is a theory in the same broad family as utilitarianism. If Parfit is right, there is much less disagreement between apparently conflicting moral theories than we all thought. The defenders of each of these theories are, in Parfit's vivid phrase, "climbing the same mountain on different sides."

Readers who go to On What Matters seeking an answer to the question posed by its title might be disappointed. Parfit's real interest is in combating subjectivism and nihilism. Unless he can show that objectivism is true, he believes, nothing matters.

When Parfit does come to the question of "what matters," his answer might seem surprisingly obvious. He tells us, for example, that what matters most now is that "we rich people give up some of our luxuries, ceasing to overheat the Earth's atmosphere, and taking care of this planet in other ways, so that it continues to support intelligent life."

Many of us had already reached that conclusion. What we gain from Parfit's work is the possibility of defending these and other moral claims as objective truths.

*Peter Singer is Professor of Bioethics at Princeton University and Laureate Professor at the University of Melbourne. Revised editions of his books Practical Ethics and The Expanding Circle have just been published.*

influence on Mr Modi's policies. For example over the weekend BJP spokesmen have been saying that the party still intends to reverse an existing policy that would allow foreign investors to open supermarkets in larger cities, and even then only under limited circumstances.

Mr Modi would be wiser to downplay the influence of both sorts of nationalists. To sustain confidence that he can get the economy growing faster will require pulling off some difficult feats, not least attracting more foreign capital into a host of industries which could include insurance, banking, defence and many parts of infrastructure. He needs to send a clear message, as he picks ministers and begins to offer policy, that India aspires to become strong on the back of economic growth, more international trade, deeper global engagement—and not by promoting nationalist tendencies at home. He has a decent record of reaching out to other countries, notably Japan, in his time as chief minister of Gujarat. Since his victory on May 16th he has fielded calls from Barack Obama, David Cameron and a host of other global well-wishers eager to engage India internationally. Mr Obama for example made clear that India's prime minister would be welcome to visit the United States. The Americans in particular want a decisive break from an earlier period, when interaction with Mr Modi concerned his record in handling communal violence in his state in 2002. Mr Modi in other words, by winning so emphatically on May 16th, appears both to have made history and escaped it. That is no mean feat at all.

Article 4.

The Christian Science Monitor

# An India ready to dream big

Editorial

May 18, 2014 --Years before Narendra Modi won this month's election that now allows him to become India's next leader, the former tea-stall

**From**: US GIO [us.gio@jpmorgan.com]
**Sent**: 3/29/2013 8:48:11 PM
**To**: Undisclosed recipients:
**Subject**: The J.P. Morgan View: Local forces are dominating
**Attachments**: image1.gif; image2.gif; JPM_The J.P. Morgan View_2013-03-28_1084792.pdf

J.P.Morgan

Global Asset Allocation

# The J.P. Morgan View: Local forces are dominating

- **Asset allocation** — Local risks and opportunities trump global forces in driving investment opportunities. Cross-market correlations to remain much lower than in recent years.
- **Economics** — US activity data are coming in better than hoped, but we need another 1-2 months to see how consumers are responding to higher taxes.
- **Fixed Income** — Search for carry to trump Euro area jitters over time.
- **Equities** — Japan remains our main country overweight.
- **Credit** — We OW covered bonds in the Euro periphery over senior bank bonds and subordinated vs senior bank bonds in the core.
- **Currencies** — Cyprus to have minimal further impact on EUR, but a ECB rate cut would push it a few cents lower versus the dollar.
- **Commodities** — Stay long Brent and short gasoline.

- **US stocks continue to gain, with the benchmark S&P500 breaching its all time high level** today in a gentle fashion. Bonds are generally up this week on dovish comments from both the Fed and the BoJ. Commodities have gained also, but credit remains the troubled asset class with spreads wider in most markets, especially in EM external debt.
- **Our overall investment theme remains that there is no overarching global investment theme** anymore this year but instead a number of **unrelated local forces that have largely local impact**. The generalized **asset reflation** we saw last year, with risk premia coming down consistently across the globe and asset classes, was due to a gradual fading of tail risks that has since been largely completed. "**Risk-on, risk- off is so last year**".
- In addition, we are seeing **no momentum either way in global growth, price or earnings expectations** that could put us into a bullish or bearish growth story. Our 2.4% projection for 2013 world economic growth is unchanged since November. YTD activity data for the world are tracking our 2.6% forecast for Q1, comfortably up from the dismal 1.6% in Q4 of last year. Amidst offsetting up- and downside surprises in the US and Japan versus Europe, there has been no reason yet to raise the growth profile for the year as a whole. We hope, but need evidence first.
- Without a global growth or fading-of-tail-risks force, we are left with a set of local issues and opportunities that are having a local impact, at the regional, asset class and company level, that should leave the rest of the world largely unmoved. In this environment, **correlations across regions and risk markets should remain significantly lower** than in past years. Various markets may seem to behave "inconsistently" with others, but we caution against expecting simple mean reversion, given our view of the reduced impact of global factors. Active investors should pay more attention to local fundamentals while long-term investors can expect to achieve greater gains from cross-market and international diversification.

- Local issues must be monitored and understood, though, to decide how to allocate capital and risk. Just to review a few, **Japanese** policy makers continue to present a concerted plan to reflate their economy through monetary, fiscal and structural measures. The

SHAFFER: Your chapter "How Christianity Undermines the Family" is provocatively titled and sort of microcosmic for your whole thesis. Can you tell us about it?

FUKUYAMA: You can't have modern politics if society is based on the biological principles of supporting friends and family. That's the natural mode of human sociability. We're naturally inclined to take care of family and exchange favors with friends. Human beings will interact in that manner without anyone telling them to behave that way because it's biologically grounded.

In all human societies, social order at one stage depended on extended kinship — people living in tribes where people traced ancestry to a common ancestor that may be three, four, or five generations dead. This was no less true of Europeans than it was of the Chinese, or Arabs, or Africans, or anyone else in the world. All the Germanic barbarians organized themselves tribally after overrunning the Roman Empire.

One of the broad questions I've addressed in the book is how did these different societies make an exit out of kinship-based social organization into a modern-based state, with impersonal, centralized administration? Europe in that respect was quite exceptional, because that happened early, and it happened through the agency of the Catholic Church, which changed the rules of inheritance for kin-groups. It forbade divorce, it forbade concubinage, and it forbade cousin marriages within three or four degrees of relatedness. All of these were practices in tribal societies that kept property within an extended kin-group. In the Arab world in many places they still encourage cross-cousin marriage, where you marry your first cousin and the two families get to keep property within this narrow circle.

Article 3.

The Daily Star

# What the Arab revolts leave unanswered

Rami G. Khouri

June 25, 2011 -- My pleasure at speaking this week in Ottawa at a gathering at the International Development Research Center of Canada was compounded by the very thoughtful questions and comments that members of the audience offered.

The audience raised new questions in my mind about what is likely or possibly may occur in the Arab region, as the current citizen revolt moves into its seventh month. The issues they raised revolved around the reality that there is no certain outcome to the developments in assorted Arab countries. While I and many other Arab citizens feel that the wave of democratic transformations will continue to wash across most of the region, sweeping away old and young autocrats and opening the door to new democracies, this is by no means certain.

Economic pressures, for one, could easily create such immense stresses on families that many Arabs who celebrated the Tunisian and Egyptian regime changes may welcome the return of strongmen who restrict citizens' powers but provide more jobs. I doubt this will happen, but we can never rule it out. The demands of children's stomachs crying out for food that many families cannot afford to buy are immensely powerful drivers of political behavior.

Another threat that some audience members raised was related to the potential break-up of some countries into smaller units that could be more easily controlled by regional or foreign powers. The first Arab revolt against the Ottomans around a century ago occurred simultaneously with the Sykes-Picot accord, by which France and Great Britain carved up the Arab east into smaller units that were put

Article 7.

Hurriyet

# Why Golda Meir was right

Burak Bekdil

August 23, 2011 -- It has been more than two and a half years since Prime Minister Recep Tayyip Erdoğan told to Israeli President Shimon Peres's face, "You (Jews) know well how to kill." Prime Minister Erdoğan has also declared more than a few times that the main obstacle to peace in this part of the world is Israel, once calling the Jewish state "a festering boil in the Middle East that spreads hate and enmity." In this holy month of Ramadan full of blood on Muslim territories, let's try to identify who are the ones who know well how to kill. As the Syrian death count clicks every day to come close to 2,000, the Turkish-Kurdish death count does not stop, already over 40,000 since 1984, both adding to the big pool of blood called the Middle East. Only during this Ramadan, the Kurdistan Workers' Party, or PKK's, death toll has reached 50 in this Muslim Kurds vs. Muslim Turks war. This excludes the PKK casualties in Turkey and in northern Iraq due to Turkish military retaliation since they are seldom accurately reported.

Let's speak of facts.

Sudan is not in the conventional Middle East, so let's ignore the genocide there. Let's ignore, also, the West Pakistani massacres in East Pakistan (Bangladesh) totaling 1.25 million in 1971. Or 200,000 deaths in Algeria in war between Islamists and the government in 1991-2006. But a simple, strictly Middle East research will give you one million deaths in the all-Muslim Iran-Iraq war; 300,000 Muslim minorities killed by Saddam Hussein; 80,000 Iranians killed during the Islamic revolution; 25,000 deaths in 1970-71, the days of Black September, by the Jordanian government in its fight against the

Article 1.

The Weekly Standard

# The Illusion of Peace with Syria

Elliott Abrams

May 23, 2011 -- The news from Syria grows grimmer by the day—more peaceful protesters killed, ten thousand arrested in the past week, army units shelling residential neighborhoods.

But the Obama administration's response has not grown grimmer or louder. As recently as May 6, Secretary of State Clinton was still talking about a "reform agenda" in Syria, as if Bashar al-Assad were a slightly misguided bureaucrat rather than the murderer of roughly 1,000 unarmed demonstrators. As for the president, though the White House has issued a couple of statements in his name, he has yet to say one word on camera about the bloodletting in Syria. This is not a small matter, for a tough statement attacking the regime's repression and giving the demonstrators moral support would immediately circulate over the Internet. American sanctions against Syria, meanwhile, have not named Assad, and there has been no call for him to step down.

Why is the administration appearing to stick with Assad and refusing to call for his ouster? A key reason may be the hope that an Israeli-Syrian peace deal can be arranged.

From the day it came to office, the Obama administration clearly wanted to win an Israeli-Palestinian peace agreement. There has been no progress during its two years in office, mostly because the White House insisted on a 100 percent construction freeze in the West Bank settlements and Jerusalem as a precondition for negotiations. This was politically impossible in Israel, and also meant that Palestinian president Mahmoud Abbas could not come to the table lest he appear to be asking less from Israel than the Americans.

The reassignment means that the U.S. attorney for the Northern District of Georgia, Byung J. "BJay" Pak, will oversee the case for the government. Pak, a former Georgia lawmaker, was appointed Atlanta's chief federal prosecutor by President Trump in October 2017.

The Justice Department is still under a Friday deadline for prosecutors to confer with the victims' attorneys in an effort to settle the case. On Feb. 22, U.S. District Judge Kenneth A. Marra in Palm Beach ruled that federal prosecutors, under former Miami U.S. Attorney Alexander Acosta, broke the law when they concealed a plea agreement from more than 30 underage girls in Palm Beach who had been sexually abused by Epstein, a multimillionaire New York hedge fund manager.

Marra stopped short of voiding the agreement, which granted Epstein and an untold number of accomplices immunity from federal prosecution for sex trafficking crimes, provided Epstein plead guilty to minor charges in state court. At the time of the plea deal, federal prosecutors had gathered enough evidence against Epstein to write a 53-page federal indictment, court records show.

## Play Video

DurationÂ

12:20

## The story behind a Palm Beach sex offender's remarkable deal

**The story behind a Palm Beach sex offender's remarkable deal**
**Emily Michot**

An investigation by the Miami Herald, "Perversion of Justice,'' found that after Acosta met privately with one of Epstein's lawyers, the government agreed to seal the plea agreement so that no one — not the victims, not even the state court judge who sentenced Epstein — would know the full extent of his crimes. Epstein, now 66, was allowed to plead guilty to prostitution charges and served 13 months in the Palm Beach County jail, where he was given liberal work release, and allowed to travel to New York and his private island in the Caribbean during his subsequent house arrest. He was released in 2009, and now divides his time between New York, Palm Beach and the U.S. Virgin Islands.

The Herald interviewed four of Epstein's victims, who were as young as 13 at the time they were abused by Epstein. They said they felt betrayed by state and federal prosecutors, who treated them like prostitutes instead of victims. Two of them sued the federal government in 2008 under the Crime Victims' Rights Act, which grants crime victims the right to be informed about plea deals and to confer with prosecutors.

Marra, in a 33-page opinion, said prosecutors not only intentionally violated the Crime Victims' Rights Act, but they misled the girls into believing that the FBI's sex trafficking case against Epstein was ongoing — when, in fact, prosecutors had secretly closed it after sealing the plea bargain from the public record.

Marra, noting that he reviewed affidavits, depositions and interrogatories, said "Epstein worked in concert with others to obtain minors not only for his own sexual gratification, but also for the sexual gratification of others.''

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If the company didn't agree, Avenatti threatened an immediate press conference amid the NCAA basketball tournament about Nike making payments to youth players and their families, prosecutors said, an event he promised would snowball into more bad press and people coming forward with claims of recruiting malfeasance.

In a recorded phone call, Avenatti told Nike attorneys that if the company tried to negotiate a cap on the investigation fees, he would go public and "take a billion dollars off your client's market cap," according to the complaint. At a March 21 meeting in New York, Avenatti allegedly continued to wield threats and press for the investigator role, at one point asking Nike attorneys if they'd ever had "the balls of a client in [their] hands."

"Michael Avenatti may be the best lawyer in the world, according to Michael Avenatti, but there are appropriate courses of conduct to address an alleged wrongdoing, and I don't see how a demand of, 'Give me a job and pay me $12 million,' is ever going to make the client whole," Saland said.

Adam Felsenstein, a white collar defense specialist at Gallet Dreyer & Berkey LLP, called the prosecutor's narrative "very extortive," particularly on the allegation regarding Avenatti's demand to be hired directly by the company. If that element of the charges is well-founded, it would effectively leave Avenatti without a "cloak of legitimacy" that he was acting solely to resolve a dispute on behalf of his client.

The complaint "doesn't even refer to anticipated litigation. It's just, 'I'm going to reveal embarrassing information unless you pay me.' And once you start asking for money for yourself like that, you trend into extortion," Felsenstein said.

Barry Temkin of Mound Cotton Wollan & Greengrass LLP similarly characterized the alleged scheme as "brazen," and voiced doubt Avenatti would be able to argue that he could pressure Nike to hire him as an investigator and stay within the legal lines.

"He's going to them with a demand that they hire him even as he's threatening them with this press conference, which is screwed up on a lot of levels," he said. "It's ambulance chasing, which is unethical. It's a conflict of interest, and who would want to hire someone to do an internal investigation who is also shaking them down?"

Avenatti was arrested Monday just after he announced via Twitter an impending press conference about a "major high school/college basketball scandal" and criminal conduct "at the highest levels of Nike."

In an unrelated action, federal officials in California **charged Avenatti** on Monday with defrauding a client out of a $1.6 million settlement and lying to a Mississippi bank to secure loans for his firm and a coffee business.

Avenatti was released in New York later in the day after posting a $300,000 bond. He is due in court on the California case on Monday. He did not respond to multiple requests

Article 2.

Boston Globe

# Turkey's new challenges

Stephen Kinzer

June 14, 2011 -- SUNDAY'S ELECTION in Turkey was another reminder of the country's astonishing rise, which has been one of the most dramatic geopolitical stories of the last decade. For the first 80 years of its existence as a nation, Turkey was dominated by generals and played almost no role in the world. Now it is a vibrant democracy and a major force in the Middle East, the Caucasus, North Africa, the Balkans, and beyond. The election was a triumph for Prime Minister Recep Tayyip Erdogan, who has presided over his country's remarkable transformation. His party won more votes than all other parties combined, making him the first Turkish prime minister in more than half a century to win three consecutive terms. He will naturally be tempted to take this victory as a mandate to charge ahead with his own projects. Instead he should do the opposite: curb his divisive rhetoric, adjust his authoritarian style, and seek broad support for projects that will strengthen Turkey and help calm the world's most volatile region.

Syrians who are racing toward Turkey in search of refuge represent Erdogan's most immediate challenge. Turkey has become not just a safe haven, but a model for what many Arabs would like to see their countries become. This model — a government with roots in Islam but also committed to democracy, free enterprise, and good relations with Europe and the United States — represents the dream of millions of Tunisians, Libyans, Egyptians, Yemenis, Syrians, Jordanians, and Palestinians.

Finding a way to stabilize the ever-more-turbulent Middle East is Turkey's most urgent task. Erdogan is obsessed with his drive to

Article 6.

Project Syndicate

# America in the Asian Century

Dominique Moisi

2011-11-15 – At "ground zero" in lower Manhattan, two empty spaces will be filled by water cascades, memorializing in a serene and respectful way the victims of the terrorist attacks of September 11, 2001. Next to them, a powerful tower, designed by the architect Daniel Libeskind and nearly completed, rises vigorously into the sky, a symbol of the triumph of life over the forces of death. One word comes to mind to characterize the impression made by this place, the site of an unprecedented crime: resilience.

In a building that houses what will one day be a memorial museum, one can buy a DVD entitled "9/12: From Chaos to Community." Ground Zero is the architectural and human proof that, despite America's current economic woes, it would be premature, if not dangerous, to write the country off as a declining power. America has the moral and intellectual resources that it needs in order to rebound. But what is necessary is not sufficient. In order to reinvent itself, if not to manage its relative international decline, America must proceed toward a rebalancing of its domestic and international priorities. In the immediate aftermath of World War I, a triumphant America withdrew from global responsibility, with tragic consequences for the balance of power in a Europe that was left to face its inner demons alone.

In the aftermath of World War II, by contrast, the US managed successfully to contain Soviet ambitions. Today, unlike in 1945, Americans do not confront an imminent threat. Russia may speak loudly (using its permanent seat on the United Nations Security Council as a megaphone), but it is a greatly reduced rump of the

**From:** Gerald Barton [redacted]
**Sent:** 5/17/2016 1:53:36 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

My Extraordinarily Talented, Outrageous Friend,

Thank you for asking how I am doing. The short answer is very well. I hope that you are in good health and continue to use your special talents to make the world a better place and for your somewhat unique amusements.

The longer answer to your question is that at the end of 2014 I closed down the office of Landmark, transferred all of the assets to pay all of the major creditors, except me, and found myself as broke as I was when you first called me that Friday after Thanksgiving, with my only remaining assets, a large capital loss, my reputation, and my energy.

Since then, our luck has been better than even an optimist like me would expect. Being free of the $500,000 a day I was fined by the OTS, after several years they abandoned this fine, which was initiated strictly to ensure that I had no opportunity to finance any new developments, I became involved with an extraordinary, large, important real estate development in Oklahoma City and two others in the D.C. area.

The bad news is that my dear friend and good partner, Aubrey McClendon, was killed in a single car accident on March 2nd of this year and the development with great potential is now either delayed or abandoned. The good news is that our involvement in a 1,000 acre development on Deep Creek Lake in western Maryland is in the process of being financed and should be underway sometime this summer. Our second project is a 405 acre development in Harper's Ferry, West Virginia, that is probably the prettiest piece of property I know of in the U.S. that is zoned and developable. Its business plan is now underway and we should be in the financing mode this fall. My impression is that there is a tremendous amount of money on the sidelines, but the top 5% or 10% that control it are terribly frightened of losing money they don't need, while the 90% to 95% of the citizens are continuing their daily labors somewhat frightened that they are not certain where next month's or next year's mortgage payment is coming from.

On a lighter note, Donald Trump recently bought our development in Ireland, Doonbeg Golf Club. It has been rated the first or second best resort in Europe. To-date, to my surprise, he is managing it reasonably well, probably because he is presently devoted to an endeavor that amuses him.

Jeffrey, I want you to understand that I am extremely pleased and not at all melancholy about my present circumstances. Whenever I get an opportunity, I always visit those assets I helped create and almost without exception, I wish I had been smarter, but generally satisfied that I made a positive contribution and one much higher than normally done by my competitors, because I am fortunate that the labor focus of my life has not attracted the best and the brightest.

When good fortune brings you to the D.C. area, please let me know. I always enjoy understanding your activities and do so with amazement and amusement.

**From:** Thomas Jr., Landon [redacted]
**Sent:** 10/19/2016 3:13:21 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Saudi money

**Importance:** High

A new guy for your stable of smart guys. He taught at SAIS in DC where I went in 1989. I was just down there a few weeks ago and was on a panel with him. He is vicious on Bill C's NATO expansion -- biggest foreign policy error since WWII. Retiring. Let me know if you want an intro -- I am sure that your Russian friends would enjoy talking to him. Book well worth reading...

https://www.amazon.com/Mission-Failure-America-World-Post-Cold/dp/0190469471/ref=sr_1_1?s=books&ie=UTF8&qid=1476889698&sr=1-1&keywords=mission+failure

On Wed, Oct 19, 2016 at 11:02 AM, jeffrey E. <jeevacation@gmail.com> wrote:
https://www.theguardian.com/us-news/2016/jul/07/donald-trump-sexual-assault-lawsuits-norm-lubow

On Wed, Oct 19, 2016 at 10:28 AM, Thomas Jr., Landon <[redacted]> wrote:
[redacted]

On Wed, Oct 19, 2016 at 10:26 AM, jeffrey E. <jeevacation@gmail.com> wrote:
number

On Wed, Oct 19, 2016 at 9:55 AM, Thomas Jr., Landon <[redacted]> wrote:
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Interesting. CEO of big finance form told me that Saudis (SAMA) have withdrawn $200 billion that has been parked with usual suspects over past year or so. That number seem in line with what you know?

On Tue, Oct 18, 2016 at 7:04 AM, jeffrey E. <jeevacation@gmail.com> wrote:
words that you to refer to one thing, USA . the stock market / the Royal family, . are no longer very useful. In politics the USA meant the white house. now there is pentagon. cia, state, and congress in addition, each feels empowered to act more independantly. stock market even in tech, needs bio tech, consuner tech. infrastrucrue tech. etc. same with Royal family, there are 20k members of a tribe. called the royal family, the words are misleading. if your article is focused on bin salman, or the very top. no one is wondering where they can find the local

better than anyone else a Cyprus peace requires engagement in goodwill and determination by both sides and of course at least Turkey, if not Turkey and Greece together? Why would Greek Cypriots want a resolution as long as they enjoy alone the "sole legitimate government" of Cyprus and the Turkish Cypriot part of the island is considered only as "areas not under the government's control?"
Yes, Davutoğlu may wish to see accelerated peace talks and a commitment from Nikos Anastasiades to work for a deal "as soon as possible." In view of the latest European Court of Human Rights and these plain realities, can that be possible anytime soon?

Article 6.

The National Interest

# Stars Are Aligned for a Solution in Cyprus

Özdil Nami

May 19, 2014 -- The Cyprus problem is at a critical juncture as there exists a unique opportunity for its solution. If this opportunity is utilized, a united Cyprus will be the keystone of a wider area of cooperation and stability in the Eastern Mediterranean and beyond. A glance at the issues that are affected by or directly resulted from the prolongation of the problem clearly highlights the need for an early settlement in Cyprus.

The 50th Year on the UN Agenda

The Cyprus problem has been on the agenda of the United Nations for half-a-century. For decades, it has consumed considerable diplomatic and political effort, domestic and international alike, but to no avail. As such, it has gained a reputation as an intractable and inexorable problem that eluded an ultimate settlement. The island of Cyprus, nearly half the size of the state of Connecticut, has subsequently become synonymous with conflict, despite its nostalgic narrative as a haven of peaceful coexistence. Since the drawing of the Green Line in 1963, Nicosia, the Janus-faced

can decay over time. They can get too rigid, they can fail to adapt, and if they do, then they're going to get into trouble, just like authoritarian systems. The other issue, which we've already touched on, is contingency in history. So the route to getting into modernity is, I now think, full of a lot of accident, and so it's not as if there's this inevitable historical process that driving us toward the present. I think it should make us both more appreciative of the fact that we've gotten to the present and also more aware of the fragility of modern institutions.

SHAFFER: A lot of people have related that — your focus on the contingency of political order, and our ability to construct democracies — to your "falling-out" with neoconservatism. Was that "falling out" just local to some of the failures and disappointments of the Bush years or was it a break with the intellectual project as a whole?

FUKUYAMA: It was more a practical dispute over methods. I didn't think U.S. hard power was an effective method [for advancing liberal democracy], and the Bush administration hadn't really thought through the implications of invading Iraq. I still think there are ways that the United States can help promote democracy, but it's a slow and long-term process. For example, I'm on the board of the National Endowment for Democracy, which had an important role in supporting solidarity in Poland in the 1980s, and in Serbia, and the Orange Coalition in Ukraine. So there are ways in which we've encouraged democratic forces around the world. I still believe in that mission and project. But I don't think the Bush administration actually invaded Iraq to promote democracy. They had security objectives in mind, and they added the democracy argument as an

was certainly preaching to the converted. The truth is, Epstein does know a lot about a lot of things. Just a few moments in his company and you know this to be true.

When I saw pictures of Prince Andrew walking in Central Park with Jeffrey, my immediate thought was that "Andy"—as Jeffrey calls him—is probably asking for help with his role as British trade envoy, or whatever his strange title is. Because if one thing's for sure: When it comes to international business, Jeffrey knows what he's talking about far more than "Andy" does. Which is why Leon Black, Mort Zuckerman and a few other financiers hang out with him.

And Ghislaine?

Full disclosure: I like her. Most people in New York do. It's almost impossible not to.

She is always the most interesting, the most vivacious, the most unusual person in any room. I've spent hours talking to her about the third world at a bar until 2am. She is as passionate as she is knowledgeable. She is curious. She has spent weeks at the bottom of the ocean, literally going deeper than anyone else. She has sent me a DVD of the fish there. Her rolodex would blow away almost anyone else's I can think of—probably even Rupert Murdochs'. She is very well-read and can talk about most things for hours. She is passionate about Bill Clinton with whom she is close friends.

Yet, touchingly, when she had to give a speech at the 40th birthday party of her best friend, Ariadne Calvo-Platero, (known fondly to her close friends as "the Tennis Goddess") Ghislaine shook a little with nerves. When it comes down to things she really cares about—and Ariadne is one of them—Ghislaine shows her vulnerability.
And that vulnerability is key to understanding her friendship with Jeffrey.

"He saved her," I remember a close friend of mine telling me. "When her father died, she was a wreck; inconsolable. And then Jeffrey took her in. She's never forgotten that—and never will."

In many ways, the socially awkward Epstein with his big house, plane, island and ranch was the perfect replacement for her father, the late Robert Maxwell, newspaper tycoon and criminal. Sure, Jeffrey had his sexual pecadillos, but then Ghislaine's father was not without his oddities. After all, it was he who died leaving a massive "black hole" he'd fraudulently created. To Ghislaine, Jeffrey's habits may not have seemed that strange.

In fact, she probably figured, rather like I have, after years of writing about he very rich, that most successful people in the end either have some weird habit (the late Bruce Wasserstein had the weight issues, the girl issues, and moved countries to avoid paying tax), or they break the law (Sam Waksal, Martha Stewart.) You don't tend to get to the top by being the world's most balanced human being. Even the folksy Warren Buffett didn't quite manage a normal life—whatever that is. He had a second "wife" for many years whose existence he has been open about.

So what to make of the current fuss over Ghislaine? I haven't spoken to her or to Jeffrey, but I suspect that her loyalty to friends like Bill Clinton will keep her in good stead, in the end, she'll be out and about as always. Look at Waksal and Stewart. No one sees them and thinks: criminal. Au contraire. In this city, money makes up for all sorts of blemishes.

--
**********
The information contained in this communication is
confidential, may be attorney-client privileged, may
constitute inside information, and is intended only for

Cyprus problem is literally obstructing the deepening of the EU-NATO strategic relations. The current crisis in Ukraine clearly highlighted, once again, the need for closer cooperation between the two institutions.

External Dynamics Necessitating a Settlement

The crisis in Ukraine also brings forward the necessity of alternative energy supplies en route to Europe. Recently, the island of Cyprus has driven considerable attention as a result of the newly found energy reserves in the Eastern Mediterranean. Common sense dictates that Turkish Cypriots and Greek Cypriots, together with neighboring countries, adopt a win-win approach and share the benefits of the natural resources of the region on an equitable basis. Such cooperation and the resulting interdependency could only bring much needed stability and prosperity to the region and help restore the ties between Turkey and Israel.

The Promise of a Solution

Cyprus lies at a strategic crossroads between the East and the West. However, as all these developments indicate, the island's full potential can only be utilized with the solution of the Cyprus problem. A solution will not only provide for peace on the island, but will also prompt a wave of cooperation in its wider region. Therefore, all relevant actors, including the two sides on the island, should act in a spirit of good-will and compromise in bringing an end to this half-century-old problem. The Turkish Cypriot side is ready to do its utmost in this regard, with a view to realizing the island's destiny to become a hub for peace and stability rather than a source of conflict and tension.

*Özdil Nami is the Minister of Foreign Affairs for the Turkish Republic of Northern Cyprus.*

Article 7.

The diplomat

# China's Instructive Syria Policy

**From:** jeffrey E. [jeevacation@gmail.com]
**Sent:** 10/19/2016 2:26:25 PM
**To:** Thomas Jr., Landon [redacted]
**Subject:** Re: Saudi money

**Importance:** High

number

On Wed, Oct 19, 2016 at 9:55 AM, Thomas Jr., Landon <[redacted]> wrote:
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social media, and the selfie crowds post the best of everything, their cutest pictures the amazing food , the luxury resorts. the masses see these things and as the difference between expectations and reality widen, the anger grows. trump has tapped in.
with the passage of the 9 11 saudi bill, unlike the french revolution where it was the people of france that revolted against their own aristocracy, with the internet and globalization of discontect it is now the americans that can revolt against the saudi leadership. it is the americans that are demanding women drive. not the saudis

On Mon, Oct 17, 2016 at 5:57 PM, Thomas Jr., Landon <[redacted]> wrote:
I have been called in to help on a big NYT investigation into how low oil prices have been effecting the personal finances of royal family in Saudi Arabia. Obviously they called in much of their cash from the likes of BlackRock and others but I thought you might have some ideas. Maybe some people to talk to?

FUKUYAMA: So you have to understand what that means. China didn't create the first state, it created the first modern state, meaning a state which recruited people into a centralized bureaucracy based on talent and merit, essentially, and not based on family relations, or connections to the household of the emperor, or something of that sort. So it had a modern form of public administration. And this was all consolidated by the third century B.C. But what the country never got to was the rule of law. Up to the modern day, the concept of a sovereign being limited by the rule of law never existed. So what that meant is that at a very early period in their history, the Chinese perfected strong, absolutist government. And that's been a consistent pattern — high-quality, authoritarian government. And I think that continues up to the present.

SHAFFER: Could we trace Western ascendance to that one factor, the rule of law?

FUKUYAMA: That's what's interesting about the present period. A lot of economic theory says you can't have modern economic growth without Western-style rule of law. Economists who believe this are thinking about two critical things — property rights and contract enforcement. And there's a lot of theory and a lot of empirical evidence that show that these are in fact important. The problem with that theory is that it doesn't really square with the facts in contemporary China. As everybody knows, for the past three decades, China has been growing at double-digit rates and they don't have Western rule of law.

I think you can rescue the theory in the long run, because without rule of law they can't keep this up. In a way the challenge that contemporary China poses it that they are doing well, and in the short

January 25, 2007 - GPS-integrated shoes - now why didn't I think of that? The Xplorer line of Smart GPS shoes from GTX Corp. come with an integrated GPS tracking device which helps parents keep tabs on their children. In addition, parents are able to set up a virtual boundary, where they will be duly noted via SMS should the shoes leave beyond the designated area.

**GPS Shoes Let Mommy Know Where You Are**

January 25, 2007 - Good news for worried parents. These GTX GPS Xplorer Smart Shoes will let you keep track of your kids no matter where you are. Here's how it works.

Define a "safe" area around your house or school that it's safe for your kids to wander around. When the GPS signal goes outside of the area, an SMS will be sent to your phone alerting you of the situation. Then you're free to call your wife, the police, or Chloe from 24.

**The GTX GPS shoes have a small GPS tracking device inside the shoe actually communicates the location to a central location tracking service**

ESATO NEWS - Jan 26, 2007 - Xplorer, the next generation of smart GPS shoes, incorporates the smallest, most powerful and robust GPS tracking device on the market today. Drawing on a long history of patented embedded GPS technology for footwear and other consumer products, GTXC has been in development on the Xplorer line for the past three years. The new line advances the state of GPS tracking technology considerably, utilizing several groundbreaking innovations currently in the patent process.

**GTX Corp. announces the Xplorer line of Smart GPS shoes**

Thu, 25 Jan 2007 - The GTX GPS shoes have a small GPS tracking device inside the shoe actually communicates the location to a central location tracking service. So you could get your kids these GPS sneakers and define an area where it is safe for the kid to wander around. When leaving the defined area an SMS would be sent to your mobile phone notifying you of the situation. GTX calls this feature GeoFencing. The batteries powering the GPS unit inside the shoes last several days.

**"With Liberty and Surveillance for All: Person-to-person Surveillance Gets Green Light from Public**

Survey research from Boston University graduate students shows that Americans are more willing to engage in surveillance of loved ones than one might expect given our love for independence. Half of Americans are comfortable with being electronically monitored by a loved one for safety

# Selection and the Award Ceremony

## Public Presentations

★NCT Energy Award★ Kyoto Energy Award ★Nobel Family Honorary Award
The 8 finalists will conduct public presentations of their products.

### Outline of Presentation

Each corporation will have 15 minutes to make a presentation in front of the judge.
The presentation will place the spotlight on environmental products and services representing the year.

- Date & Time : Final Day (10:30-12:30)
- Place: International Conference Room
- Participants : Judges, press and others involved
- Visitors: free (first 500 visitors)

- The 8 finalists will be announced at 16:00 on the 2nd day.
- No defined style of presentation. A screen will be used.
- After all 8 finalists complete their presentations, the judges will hold a final selection meeting.
- Announcement of winners and the Award Ceremony will take place at the special stage from 15:00.

※Presentations are held to better explain the features of the product to the Judges and visitors and will be a factor in determining the awards.

### Awards Selected by Visitors and the Judging Committee

★NCT Contribution to the Environment Award ★NCT Environmental Design Award ★Special Ecology Award
The Judging Committee will select the winners from the finalists selected by votes of the visitors

- Selections will be made on the basis of the votes casted by visitors during public days
- The Awards above will be awarded to the top 3 products with the most votes

## Announcement of Awards & Ceremony

Ingenuity, practicality, lessening effects on the environment and design. All these factors will be comprehensively examined in determining the awards.

### Outline

As the audience watch, an impressive award ceremony will be produced. Each award will be presented in a prestigious manner, well suited for this honor.

- Date and Time: Last Day (15:00-15:45)
- Place: Special stage build in the Atrium
- Participants: Judges, press and others involved
- Visitors: Free

### Award Ceremony Program (draft)

①Opening Speech

②Announcement of Awards, Award Presentation and Speech from Winners

ENVIRONMENT & ECOLOGY DIVISION :

★Special Ecology Award ★NCT Contribution to the Environment Award★NCT Environmental Design Award

ENERGY DIVISION:

★Kyoto Energy Award ★Nobel Family Award ★NCT Energy Award

③Overall Comments by the Chair of the Judging Committee

④Photo Session of Winners •Closing Remarks

Presenter: Michael Nobel

Photo Session

Nobel Medal (image)

Stage decorations will be prestigious and dignified within the premises of eco-friendly materials.



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Article 5.

Foreign Policy

# Assad's Chemical Romance

Leonard Spector

AUGUST 23, 2011 -- The continued unrest in Syria, coupled with President Barack Obama's call for President Bashar al-Assad to leave power, has thrown the future of the country into flux. Among the most troubling uncertainties is the fate of Syria's chemical weapons arsenal, which, if not protected properly, could fall into the wrong hands, with catastrophic results. Syria is one of a handful of states that the U.S. government believes possess large stocks of chemical agents in militarized form -- that is, ready for use in artillery shells and bombs. The arsenal is thought to be massive, involving thousands of munitions and many tons of chemical agent, which range, according to CIA annual reports to Congress, from the blister gases of World War I -- such as mustard gas -- to advanced nerve agents such as sarin and possibly persistent nerve agents, such as VX gas.

In the hands of Assad -- and his father Hafez before him -- these weapons have been an ace-in-the-hole deterrent against Israel's nuclear capability. The Assad regime, however, has never openly brandished this capability: It did not employ chemical weapons in the 1982 Lebanon War against Israel, even after Israeli warplanes decimated the Syrian Air Force. Nor have they been deployed, or their use threatened, in attempting to bring Assad's current domestic antagonists to heel. And although Syria is accused of providing powerful missiles to Hezbollah, including some of a type that carried chemical warfare agents in the Soviet arsenal, Assad has not reportedly transferred lethal chemical capabilities to the Lebanon-based Shiite organization.

In particular, you stated in an email sent on Nov 13 that two universities had investigated an incident (# 6 below). You claimed that "both Universities independently concluded that the report was unsubstantiated and fabricated with malicious intent." We are not aware that either university concluded fabrication or malicious intent, so if you have evidence to support this assertion, we would like to see and discuss it.

The story concerns your actions towards students while a professor of physics at Case Western Reserve University, as well as your conduct in non-academic settings as a prominent figure in the skeptics movement. I am reporting this story along with two of my colleagues on the science desk, Azeen Ghorayshi and Virginia Hughes.

Our story is about several allegations of sexual misconduct dating from 2006 to 2016 (see full details below). Our reporting also goes into how the various institutions you have been affiliated with — Case Western, Arizona State University, the Australian National University, the New College of the Humanities, and the Center for Inquiry, for which you serve as an honorary member of the board of directors — have handled complaints and concerns about your behavior during this time.

Our story is corroborated by emails, university documents, official complaints, testimony from victims and eyewitnesses, and interviews with more than two dozen of your current and former academic colleagues, students, and peers in the skeptics movement.

I wanted to offer you the opportunity to comment and/or respond to the main facts we plan to publish. If you wish to comment on any of the below findings, we need to hear from you as soon as possible. **We are planning on publishing our story Tuesday morning, Eastern US Time.**

Based on our reporting, this is what we plan to publish:

Incident 1:

- In November of 2006, at an event launching the new Center for Inquiry in Washington D.C., you met a volunteer for CFI D.C.
- At the event, you asked for her business card. Later, you followed her as she was leaving and asked her if she was "of age."
- Later, you emailed her to invite her to dinner.
- You planned to dine with her in the restaurant at the Washington D.C. hotel where you were staying.
- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

- In an incident that occurred in fall of 2007 while you were a physics professor at Case Western Reserve University, a student tried to talk to you about her plans after graduation. You mentioned to her how tough it must be to have all the other physics majors asking her out on dates.

## Points to Keep In Mind in Hosting the Convention ( Direction of Hosting the Convention)

### 1 .Host Country

■In the future we will construct a framework where different countries will rotate to host and support the Convention.
■To establish an implementation model as well as build recognition and success, the first 3 to 4 Conventions will be held in Japan.
■One of the most well-known environmental instrument is the Kyoto Protocol adopted in Japan. Despite the many environmental conferences taking place around the world, no event has ever included an exhibit ion of environmental technologies . Therefore, it is a natural course of events, that this Convention should begin in Japan, which would carry a significant message . Global consensus on this matter should be easy to attain.

### 2 .Venue

■Venue candidates include Kyoto from the Kyoto Protocol, and Okinawa and Hokkaido from the past G8 summits but considering factors such as transportation, operation and promotion, we would like to recommend the Tokyo Big Sight (Tokyo International Exhibition Center.)

### 3 .Timing of the Conference

■As the formation of NCT and preparations to organize the support system in Japan will begin in spring 2010, timing of the 1st Convention will be in the year 2012.
■Seasonal factors in Japan indicate the best timing for the conference to be in spring (April-May) or fall (Sept- Oct).

### 4 .Exhibitors (Corporations)

■With the cooperation of governments around the world, NCT will encourage corporations worldwide to participate in the exhibition.

■Participation of Japanese corporations will be managed through the future energies organization (GSSI Earth Environment Technology Development Expo Executive Committee)
( Anticipated number of participating corporations: from 500 to 1000 )

### 5 . Advantages in Participating in the Exhibition

■By participating, corporations will have the opportunity to introduce and promote their energy efficient products, obtain information on renewable, alternative and sustainable energy resources, and may obtain rights to or participate in projects.
■By positioning participation itself as a status symbol, higher awareness will be seen in corporate efforts to engage in environmental friendly endeavors.
■Improved brand image of participating corporations and an opportunity to accumulate consumer response data

### 6 .Operations

■Hosted by: Nobel Charitable Trust
■ The GSSI Earth Environment Technology Development Expo Executive Committee will manage all production and operations of this convention.

### 7 . Implementation Costs

■Funds will be provided by NCT, sponsors, and exhibition fees will be collected from each participating exhibitor.



HOUSE_OVERSIGHT_031362

The Justice Department is still under a Friday deadline for prosecutors to confer with the victims' attorneys in an effort to settle the case. On Feb. 22, U.S. District Judge Kenneth A. Marra in Palm Beach ruled that federal prosecutors, under former Miami U.S. Attorney Alexander Acosta, broke the law when they concealed a plea agreement from more than 30 underage girls in Palm Beach who had been sexually abused by Epstein, a multimillionaire New York hedge fund manager.

Marra stopped short of voiding the agreement, which granted Epstein and an untold number of accomplices immunity from federal prosecution for sex trafficking crimes, provided Epstein plead guilty to minor charges in state court. At the time of the plea deal, federal prosecutors had gathered enough evidence against Epstein to write a 53-page federal indictment, court records show.

## Play Video

DurationÂ

12:20

## The story behind a Palm Beach sex offender's remarkable deal

**The story behind a Palm Beach sex offender's remarkable deal**
**Emily Michot**

An investigation by the Miami Herald, "Perversion of Justice,'' found that after Acosta met privately with one of Epstein's lawyers, the government agreed to seal the plea agreement so that no one — not the victims, not even the state court judge who sentenced Epstein — would know the full extent of his crimes. Epstein, now 66, was allowed to plead guilty to prostitution charges and served 13 months in the Palm Beach County jail, where he was given liberal work release, and allowed to travel to New York and his private island in the Caribbean during his subsequent house arrest. He was released in 2009, and now divides his time between New York, Palm Beach and the U.S. Virgin Islands.

The Herald interviewed four of Epstein's victims, who were as young as 13 at the time they were abused by Epstein. They said they felt betrayed by state and federal prosecutors, who treated them like prostitutes instead of victims. Two of them sued the federal government in 2008 under the Crime Victims' Rights Act, which grants crime victims the right to be informed about plea deals and to confer with prosecutors.

Marra, in a 33-page opinion, said prosecutors not only intentionally violated the Crime Victims' Rights Act, but they misled the girls into believing that the FBI's sex trafficking case against Epstein was ongoing — when, in fact, prosecutors had secretly closed it after sealing the plea bargain from the public record.

Marra, noting that he reviewed affidavits, depositions and interrogatories, said "Epstein worked in concert with others to obtain minors not only for his own sexual gratification, but also for the sexual gratification of others.''

The victims' attorneys — Edwards, Scarola and Paul Cassell — have asked the Justice Department to throw out Epstein's plea agreement and reopen the criminal investigation.

Religion, including Hinduism and Islam, can help Indians define their individual identity. But in a country of such size and diversity, one that is home to a third of the world's poor, only secular rule can ensure the unity needed to fulfill people's collective hopes.

"India has won," Modi tweeted after his victory. This apparent humility may serve him well in preventing an overreach of his powers. India does not need big-man style rule now that a historic election has shown Indians are ready to dream big.

Article 5.

Hürriyet

# Will it be Cyprus' year?

Yusuf Kanli

19 May 2014 -- The highlight of the one-day trip to North Cyprus by Foreign Minister Ahmet Davutoğlu might best be his bold declaration that time has come to end the 50-year-old Cyprus problem. Can there be relevance between the age and the time for the resolution of a problem? Obviously not, but a minister expressing conviction that time has come to end a problem carries incredible importance and naturally boosts expectations to that end.

Is it really the high time, best opportunity, right moment, last chance or whatever for a Cyprus deal? All through the past many decades, somehow many prominent and otherwise effective personalities, including not only Davutoğlu and people of his caliber, but many premiers, presidents and at least every American leader since George Bush Sr. have declared many of the past years as the "Cyprus year" but that Cyprus year never came… Will it come this time? Sure… the Cyprus problem could easily be resolved if the two sides on the island ever develop sufficient political will; prepare their respective societies to be receptive to a painful compromise and international actors stop paying lip service to the idea of a resolution, but instead genuinely support a resolution.

Article 4.

The American Interest

# The Conservative Revolutionary

Walter Russell Mead

June 12, 2011 -- The United States is the most revolutionary power in the history of the world, but after more than 200 years of a brilliant revolutionary career we are still not very good at understanding or responding to the revolutions our example, our ideas, our economy and our technology do so much to create.

The Arab spring is the latest example of the clash between America's revolutionary world role and our pathetic cluelessness about the forces we do so much to promote. The Arab Spring is turning into a long, hot summer. Civil wars in Libya, Syria and Yemen and the sullen silence of the Shi'a in Bahrain have baptized Arab democracy in blood. More will flow — and American foreign policy is befuddled and bemused.

None of the experts look particularly smart at the moment. The 'realists' who counseled President Obama to forget George W. Bush's support of Middle Eastern democracy and cultivate our relations with regional despots like Hosni Mubarak, the Iranian mullahs and the younger Assad have been sent back to the benches in disgrace. Their counsel is now seen as both morally dubious and pragmatically unwise; the 'realists' would have put the US on the wrong side of history in the service of unrealistic assumptions about the stability of despotic regimes.

But the idealists who seek to replace them already have egg on their faces. "Days, not weeks" is what they promised the President when he began to bomb for democracy in Libya. The democratic revolution in Egypt is looking less democratic by the day; it looks more and more as if the Army used public unrest to block the

vowed to preserve. Much better to gain leverage by producing low-enriched uranium — far from weapons grade — under International Atomic Energy Agency inspection and allow rumors to swirl.

So Iran, long at the top of the Washington agenda, has slid down. It's partly the Arab Spring. It's partly that you can't keep saying the same thing. People do begin to remember the refrain, although nobody in the large Iran-the-clear-and-present-danger school ever seems to get called to account. They should be. The nuclear bogeyman obsession has been a distraction from the need to try to tease out a relationship with Tehran, see Iran as it is. Only the most flimsy efforts have been made, insufficient to test the waters.

Those waters are troubled. The Islamic Republic has not recovered from its convulsion of 2009. It is sickly, consumed by hypocrisy as it cheers on some brave Arabs (but not those in Syria) while brutalizing its own seekers of the freedom promised in 1979. Arabs aren't buying Iranian hypocrisy. Only Iran's command of Revolutionary Guard force and the opposition's lack of a shared goal salvage it.

Khamenei is at loggerheads with President Mahmoud Ahmadinejad, who got into such a sulk recently that he took 11 days off work, infuriating everybody. The Majlis, or parliament, is investigating Ahmadinejad for various alleged frauds including, of all things, vote-buying in 2009! Ahmadinejad was booed during his June 3 speech commemorating Ayatollah Khomeini's death. Iran is characterized by what Farideh Farhi of the University of Hawaii recently termed "administrative chaos."

That's not how you make a nuke. When remembering Iran — and it must be remembered — call the fear-mongers to account.

Article 5.

The Financial Time

# Global oil supplies are healthier than they seem

Ian Bremmer

June 24, 2011 -- Many of the world's oil consuming nations, led by the US, shocked oil markets this week as the International Energy Agency agreed to release 60m barrels of oil from strategic reserves over the coming month. The move was intended to offset price pressures brought about by Libya's supply cut and comes in response to Opec's recent inability to formally endorse new supply increases. The IEA action is also an example of growing concern over higher oil prices in Washington, where the White House is managing political fallout from high gasoline prices as next year's presidential elections loom just over the horizon. Yet, a year from now, we're likely to look back on this moment and find that fears for supply have diminished. There are three reasons. First, the most substantial fallout from the Arab world's recent upheaval is behind us. Syria's Bashar al-Assad continues to fight for survival and Yemen continues to flirt with failed-state status, but the Gulf's major oil-producing states are quite stable. So are other major producers. Even in Iran, with its leaders infighting, the green revolution has moved off the streets for now. While there are plenty of long-term structural challenges for many major economies – just ask China – for the moment there are no more Libyas left to explode. IEA action and the ongoing Saudi supply increases will neutralise what remains of the oil price's political risk premium. Second, big additional supply is coming, and it's not all priced in. Offshore Brazil and Canadian oil sands are no longer new stories, but their collective impact has not

**From**: Daniel Sabba [redacted]
**Sent**: 1/9/2015 1:53:22 AM
**To**: Jeffrey Epstein [jeevacation@gmail.com]
**Subject**: Fw: EOD Commodities Note - 8 Jan [C]
**Attachments**: image001.jpg; image002.png

**Importance**: High

Classification: Confidential

Vol in crude continues to collapse

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**From:** Prateek Jain
**Sent:** 01/08/2015 09:15 PM GMT
**Subject:** EOD Commodities Note - 8 Jan

**Oil**

A relatively quiet day in Crude today. We hovered around unchanged for most of the day before selling off in the afternoon and testing 50$ BRE again. However, we failed to break it and rallied towards unchanged for the close, perhaps off the back of some index buying. Newswise, Feb Azeri BTC loadings will be up a whopping 11% m/o/m to 821kbd. Interestingly, there is apparently some floating storage interest happening as well, as some major phys trading firms have booked long term tankers for this as long term charter rates are cheaper and thus make the economics of storage look good. The window was again weak with ekofisk and brent offered down a bit. In other news, RTRS cites GCC "sources" saying that there is no chance of OPEC cut even though oil has dipped to 50$...Stateside, we learned yesterday that the Seaway Twin is moving 100% heavy crude. Furthermore, USGC diffs weakened again, with LLS now trading 1$ above WTI. In the morning WTI spreads were quite bid, but that abated towards the end of the day. The arb did however stay bid throughout the day, as the fact that LLS/WTI is tight at 1$ means that there is more room BRE to discount vs LLS so as to place those Jan and Feb overhang cargoes in the US. In politics land, the Senate committee voted 13-9 to have Keystone "bypass" presidential approval. So if the Senate passes this bill (which it should as it has 60 co sponsors), Obama may have to veto it. It is not clear that the Senate has 67 votes needed to overturn the veto, so this should be interesting to follow...In products land, distillate bounced back a bit after yesterday's post stats ugly showing, perhaps off the realization that the stats didn't add up along with the extremely cold weather giving NG a (rare) bid as well...

**Oil Vols**

Another day of carnage in oil vols today. Early morning NY vols were down 0.4-0.5 through the curve, but a one way selling streak started just before the open and all the bids out there started getting hit. As an example Dec5 atm straddles started the day 1465/1505, were 1405/1450 at 9am, and were 1350/1390 later in the day. Within 2 hours of open, vols were down about 3 vols across the curve..and stayed there for most of the day till about 1:30pm when futures took a quick leg lower.. prompt vols traded 1.5% higher than close at that time and Jun5 was up 2% from the lows. However, with a quick rally back vols started fading again and ended 1.5-2.5 lower.
Wings got smashed again and put skew collapsed quickly. 8000 lots of $40puts in WTI Mar15 were sold on the screen, which is quite an impressive volume outside floor trading..

| | WTI (/change) | | BRE (/change) | |
|---|---|---|---|---|
| G15 | 50.40% | -1.60% | 44.00% | -2.60% |
| H15 | 45.50% | -2.40% | 43.70% | -1.10% |
| M15 | 41.40% | -2.10% | 38.20% | -2.60% |
| Z15 | 35.15% | -1.60% | 33.10% | -2.15% |
| Z16 | 28.60% | -2.00% | 28.50% | -1.80% |

**Index**

No rhyme or reason to flat price action today.

**From:** Thomas Jr., Landon [redacted]
**Sent:** 10/19/2016 2:28:11 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Saudi money

**Importance:** High

[redacted]

On Wed, Oct 19, 2016 at 10:26 AM, jeffrey E. <jeevacation@gmail.com> wrote:
number

On Wed, Oct 19, 2016 at 9:55 AM, Thomas Jr., Landon <[redacted]> wrote:
I have spoken to a lot of ceos of fund outfits who say Saudis have been pulling billions of dollars in separate account money -- not just from BR. And plus I cant believe they would have so much tied up in lock ups.

On Wed, Oct 19, 2016 at 9:48 AM, jeffrey E. <jeevacation@gmail.com> wrote:
sorry, no good handle without digging

On Wed, Oct 19, 2016 at 9:47 AM, Thomas Jr., Landon <[redacted]> wrote:
what is your back of the envelope guess as to much saudi money tied up in such funds?

On Wed, Oct 19, 2016 at 9:43 AM, jeffrey E. <jeevacation@gmail.com> wrote:
most of the saudi money is tied up in pe funds. no withdrawals allowed . and im not seeing much in the secondary market. . blackrock is more money market , more like custodian than investor .

On Wed, Oct 19, 2016 at 9:41 AM, Thomas Jr., Landon <[redacted]> wrote:
Interesting. CEO of big finance form told me that Saudis (SAMA) have withdrawn $200 billion that has been parked with usual suspects over past year or so. That number seem in line with what you know?

On Tue, Oct 18, 2016 at 7:04 AM, jeffrey E. <jeevacation@gmail.com> wrote:
words that you to refer to one thing, USA . the stock market / the Royal family, . are no longer very useful. In politics the USA meant the white house. now there is pentagon. cia, state, and congress in addition, each feels empowered to act more independantly. stock market even in tech, needs bio tech, consuner tech. infrastrucrue tech. etc. same with Royal family, there are 20k members of a tribe. called the royal family, the words are misleading. if your article is focused on bin salman, or the very top. no one is wondering where they can find the local costco.. but they are aware that a message needs to be sent to their population , regarding the next 20 years,
social media, and the selfie crowds post the best of everything, their cutest pictures the amazing food , the luxury resorts. the masses see these things and as the difference between expectations and reality widen, the anger grows. trump has tapped in.
with the passage of the 9 11 saudi bill, unlike the french revolution where it was the people of france that revolted against their own aristocracy, with the internet and globalization of discontect it is now the americans that can revolt against the saudi leadership. it is the americans that are demanding women drive. not the saudis

On Mon, Oct 17, 2016 at 5:57 PM, Thomas Jr., Landon <[redacted]> wrote:
I have been called in to help on a big NYT investigation into how low oil prices have been effecting the personal finances of royal family in Saudi Arabia. Obviously they called in much

The Gates speech effectively marks the end of the American ambition to turn Nato into the global, military arm of a unified western world. The Americans have flirted with this idea, ever since the onset of the "war on terror". But, as the Afghan war has worn on, so the military effort has become more and more heavily dependent on the US.

The fact that Europeans called for a campaign in Libya that they are incapable of conducting alone has merely re-enforced the American view that the European arm of Nato is, to varying degrees, feckless and unreliable. Disarray and recriminations within Nato hobble the single most effective potential tool for western military intervention overseas.

Even more significant in the long run is the American anxiety that budgetary constraints, which are leading to defence cuts in Europe, are beginning to be replicated in the US itself. Admiral Michael Mullen, America's top military officer, has called the budget deficit the single biggest threat to US national security. It is also the single biggest constraint on future bouts of "liberal interventionism".

Money is not the only problem, however. Over the past 20 years it has become apparent that swiftly agreed-upon military actions can lead to entanglements that last for many years. There is still a Nato mission in Kosovo and an EU military mission in Bosnia, more than a decade after the fighting ended in both places.

As for Afghanistan – that conflict has now lasted almost twice as long as the second world war. Western governments are also only beginning to come to terms with what may soon be required in Libya. Against this background, there are very few takers for yet another military venture – this time in Syria.

a distorting effect on the global economy. The president has made a few cautious statements on China's human rights record but came under criticism for delaying a White House meeting with the Dalai Lama. This year, the administration confirmed a $5.8 billion package of arms sales for Taiwan that provoked a predictable Chinese backlash.

**Foreign aid:** In his 2010 address to the U.N. General Assembly, Obama announced an overhaul of U.S. foreign aid policies, which he vowed will place them at the center of U.S. foreign policy. In the speech he called aid a "core pillar of American power." Nonetheless, foreign aid to a number of countries was cut by Congress in the 2012 budget.

**Iran/nukes:** Early in his presidency, Obama made several overtures to Iran in an effort to improve relations. Critics say this engagement strategy went too far during the 2009 Green Movement uprising against the reelection of President Mahmoud Ahmadinejad, when the Obama administration was reluctant to overtly back the protesters. Since then, the administration has instituted a number of new sanctions against Iran that are aimed at halting its nuclear enrichment program. "We are not taking any options off the table. Iran with nuclear weapons would pose a threat not only to the region but also to the United States," Obama said in a recent news conference in Hawaii.

**Trade:** In October, Obama signed long-delayed free trade agreements with Colombia, Panama, and South Korea. On his trip to Asia this November, Obama is working to promote a new trans-Pacific free trade agreement. "We're not going to be able to put our folks back to work and grow our economy and expand opportunity unless the Asia-

***Chief Deputy Whip Diana DeGette*** *is serving her 8th term in Congress as the Representative of the First District in Colorado. Diana has established herself as a leader for progressive change on LGBT rights, health care, reproductive rights, food safety, consumer protection and the environment.*

*Diana serves on the powerful Committee on Energy and Commerce where she has used her position to improve health care, expand medical research, reform corporate business and accounting practices, ensure that our homeland is adequately protected, take on global climate change, and move America toward energy independence.*

*She has led the efforts to expand the State Children's Health Insurance Program (SCHIP), which provides health insurance to low-income children up to age 18. Diana was a leader in the expansion of this program that was signed into law by President Obama in February of 2009.*

*Diana was the chief architect of legislation to expand stem cell research, which was passed twice with broad, bipartisan support in Congress. One of Congress's leading experts on cutting-edge scientific research, Diana is the author of the Stem Cell Research Enhancement Act which would ensure a lasting ethical framework overseeing stem cell research at the National Institutes of Health (NIH) and will provide stability to the scientists and individuals who are on the quest for life-saving cures.*

*As co-chair of the bipartisan Congressional Diabetes Caucus, Diana has also been a long-time advocate for the expansion of diabetes care and research, particularly for lower-income and minority communities.*

DIANA DEGETTE CONGRESS

Approved by Diana DeGette for Congress

*Come and Join*

Congresswoman Diana DeGette

*in New York City*

*September 27th, 2012*

*"Science's Voice in Congress"*

Dr. Krauss:

As you know, I'm a reporter for BuzzFeed News who has been investigating sexual misconduct allegations against you. As we've already discussed by email, I'd very much like to interview you about these allegations in detail.

In particular, you stated in an email sent on Nov 13 that two universities had investigated an incident (# 6 below). You claimed that "both Universities independently concluded that the report was unsubstantiated and fabricated with malicious intent." We are not aware that either university concluded fabrication or malicious intent, so if you have evidence to support this assertion, we would like to see and discuss it.

The story concerns your actions towards students while a professor of physics at Case Western Reserve University, as well as your conduct in non-academic settings as a prominent figure in the skeptics movement. I am reporting this story along with two of my colleagues on the science desk, Azeen Ghorayshi and Virginia Hughes.

Our story is about several allegations of sexual misconduct dating from 2006 to 2016 (see full details below). Our reporting also goes into how the various institutions you have been affiliated with — Case Western, Arizona State University, the Australian National University, the New College of the Humanities, and the Center for Inquiry, for which you serve as an honorary member of the board of directors — have handled complaints and concerns about your behavior during this time.

Our story is corroborated by emails, university documents, official complaints, testimony from victims and eyewitnesses, and interviews with more than two dozen of your current and former academic colleagues, students, and peers in the skeptics movement.

I wanted to offer you the opportunity to comment and/or respond to the main facts we plan to publish. If you wish to comment on any of the below findings, we need to hear from you as soon as possible. **We are planning on publishing our story Tuesday morning, Eastern US Time.**

Based on our reporting, this is what we plan to publish:

Incident 1:

- In November of 2006, at an event launching the new Center for Inquiry in Washington D.C., you met a volunteer for CFI D.C.
- At the event, you asked for her business card. Later, you followed her as she was leaving and asked her if she was "of age."
- Later, you emailed her to invite her to dinner.
- You planned to dine with her in the restaurant at the Washington D.C. hotel where you were staying.
- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

When the Catholic Church [forbade cousin marriage] in the eighth century, it wasn't thinking about the effect on kinship. It was acting in a self-interested way, because by cutting off these ways of kin-groups' keeping property, the Church ended up being the beneficiary. So if a woman didn't marry and didn't have children but had a big estate, she tended to donate it to the Church. So the Church helped effect in Europe the breakdown of extended kinship very, very early. Even in the beginning of the Middle Ages, people owned property as individuals. Women could hold property — they could sell it, alienate it, in ways that they still can't in parts of the Arab world. And this meant that individualism became very deeply rooted in European society. So some individualism was already established by the time Europe got to feudalism. And feudalism is basically a contract — it's one that is very hierarchical, between a stronger and weaker person, but it is a contract between two people.

So the idea of exchange and private property dates way, way back, hundreds of years before the Enlightenment, Reformation, etc. So I think that the basis for European modernization traces all the way back to developments like that. In China, in India, the exit out of kinship was accomplished through political power, via a state that tried to create impersonal government layered on top of a kin-based society. And those kin-groups really never went away. Even in contemporary China and India, in certain parts there are still kin-groups that influence politics.

SHAFFER: But China had an impersonal government — a meritocratic bureaucracy — without Christianity, and long before the West did, yes?

**From**: US GIO [us.gio@jpmorgan.com]
**Sent**: 3/29/2013 8:48:11 PM
**To**: Undisclosed recipients:;
**Subject**: The J.P. Morgan View: Local forces are dominating
**Attachments**: image1.gif; image2.gif; JPM_The J.P. Morgan View_2013-03-28_1084792.pdf

Global Asset Allocation

# The J.P. Morgan View: Local forces are dominating

- **Asset allocation** — Local risks and opportunities trump global forces in driving investment opportunities. Cross-market correlations to remain much lower than in recent years.
- **Economics** — US activity data are coming in better than hoped, but we need another 1-2 months to see how consumers are responding to higher taxes.
- **Fixed Income** — Search for carry to trump Euro area jitters over time.
- **Equities** — Japan remains our main country overweight.
- **Credit** — We OW covered bonds in the Euro periphery over senior bank bonds and subordinated vs senior bank bonds in the core.
- **Currencies** — Cyprus to have minimal further impact on EUR, but a ECB rate cut would push it a few cents lower versus the dollar.
- **Commodities** — Stay long Brent and short gasoline.

- **US stocks continue to gain, with the benchmark S&P500 breaching its all time high level** today in a gentle fashion. Bonds are generally up this week on dovish comments from both the Fed and the BoJ. Commodities have gained also, but credit remains the troubled asset class with spreads wider in most markets, especially in EM external debt.
- **Our overall investment theme remains that there is no overarching global investment theme** anymore this year but instead a number of **unrelated local forces that have largely local impact**. The generalized **asset reflation** we saw last year, with risk premia coming down consistently across the globe and asset classes, was due to a gradual fading of tail risks that has since been largely completed. "**Risk-on, risk- off is so last year**".
- In addition, we are seeing **no momentum either way in global growth, price or earnings expectations** that could put us into a bullish or bearish growth story. Our 2.4% projection for 2013 world economic growth is unchanged since November. YTD activity data for the world are tracking our 2.6% forecast for Q1, comfortably up from the dismal 1.6% in Q4 of last year. Amidst offsetting up- and downside surprises in the US and Japan versus Europe, there has been no reason yet to raise the growth profile for the year as a whole. We hope, but need evidence first.
- Without a global growth or fading-of-tail-risks force, we are left with a set of local issues and opportunities that are having a local impact, at the regional, asset class and company level, that should leave the rest of the world largely unmoved. In this environment, **correlations across regions and risk markets should remain significantly lower** than in past years. Various markets may seem to behave "inconsistently" with others, but we caution against expecting simple mean reversion, given our view of the reduced impact of global factors. Active investors should pay more attention to local fundamentals while long-term investors can expect to achieve greater gains from cross-market and international diversification.

- Local issues must be monitored and understood, though, to decide how to allocate capital and risk. Just to review a few, **Japanese** policy makers continue to present a concerted plan to reflate their economy through monetary, fiscal and structural measures. The

"I have always been impressed by Mike's professionalism and his leadership," said Rick Lincoln, chief of the Lantana Police Department and a Palm Beach County cop for 32 years.

"The town of Palm Beach has a very professional police department. We all consider Mike to be our peer and a man of integrity."

Juno Beach Police Chief H.C. Clark II agreed. Although he doesn't know Reiter well, he has met with him on countywide law enforcement issues. "I've never seen him lose his cool. I've never seen anything but a professional demeanor from him."

Reiter joined the Palm Beach Police Department in 1981, leaving a $20,000-a-year patrol job at the University of Pittsburgh. His personnel jacket shows consistently excellent job evaluations.

Posh Palm Beach is no hotbed of crime, and in his first year on the job, a resident confined to his home with a sick child thanked Reiter for delivering a few Cokes to the house. Reiter refused payment for the beverages. Another resident thanked Reiter for shutting off his car's headlights in his driveway, saying a valet must have been at fault.

Reiter worked everything from road patrol to organized crime, vice and narcotics. And he's no novice at investigations involving the island's rich and famous. He was the lead detective probing the drug overdose death of David Kennedy in 1984. He also was one of the officers who worked the investigation of William Kennedy Smith, who was charged in 1991 — and later acquitted — with raping a woman at the Kennedy family compound in Palm Beach.

Reiter, who has a master's degree in human resource development from Palm Beach Atlantic University, also has attended the FBI National Academy in Quantico, Va., and management courses at Harvard. He's been active in countywide interagency law enforcement organizations and has a "top secret" national security clearance.

"He has a perspective that's broader than just addressing the needs of the town," said Town Manager Peter Elwell, who promoted Reiter from assistant chief to chief in March 2001. Reiter makes more than $144,000 as the town's top cop. Elwell thinks he's worth it.

"He's very businesslike, very straightforward. He's not easily agitated or flamboyant. He's about the work," Elwell said. "I think that his service as chief has been outstanding in five-plus years."

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**********
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and may be unlawful. If you have received this
communication in error, please notify us immediately by
return e-mail or by e-mail to jeevacation@gmail.com, and
destroy this communication and all copies thereof,
including all attachments.

As you know, I'm a reporter for BuzzFeed News who has been investigating sexual misconduct allegations against you. As we've already discussed by email, I'd very much like to interview you about these allegations in detail.

In particular, you stated in an email sent on Nov 13 that two universities had investigated an incident (# 6 below). You claimed that "both Universities independently concluded that the report was unsubstantiated and fabricated with malicious intent." We are not aware that either university concluded fabrication or malicious intent, so if you have evidence to support this assertion, we would like to see and discuss it.

The story concerns your actions towards students while a professor of physics at Case Western Reserve University, as well as your conduct in non-academic settings as a prominent figure in the skeptics movement. I am reporting this story along with two of my colleagues on the science desk, Azeen Ghorayshi and Virginia Hughes.

Our story is about several allegations of sexual misconduct dating from 2006 to 2016 (see full details below). Our reporting also goes into how the various institutions you have been affiliated with — Case Western, Arizona State University, the Australian National University, the New College of the Humanities, and the Center for Inquiry, for which you serve as an honorary member of the board of directors — have handled complaints and concerns about your behavior during this time.

Our story is corroborated by emails, university documents, official complaints, testimony from victims and eyewitnesses, and interviews with more than two dozen of your current and former academic colleagues, students, and peers in the skeptics movement.

I wanted to offer you the opportunity to comment and/or respond to the main facts we plan to publish. If you wish to comment on any of the below findings, we need to hear from you as soon as possible. **We are planning on publishing our story Tuesday morning, Eastern US Time.**

Based on our reporting, this is what we plan to publish:

Incident 1:

- In November of 2006, at an event launching the new Center for Inquiry in Washington D.C., you met a volunteer for CFI D.C.
- At the event, you asked for her business card. Later, you followed her as she was leaving and asked her if she was "of age."
- Later, you emailed her to invite her to dinner.
- You planned to dine with her in the restaurant at the Washington D.C. hotel where you were staying.
- You told her to come up to your room first because you needed to finish some work.
- In your hotel room, you seemed in no rush to leave. You ordered a cheese plate, and later champagne, despite her suggestion that you go down to dinner.
- You then made a comment about her eye makeup, getting very close to her face.
- You then lifted her by her arms, and pushed her onto the bed beneath you, forcibly kissing her and trying to pull down the crotch of her tights.
- She struggled to push you off her.
- You said, "When I was in college I could never get a girl that looked like you."
- When you pulled out a condom, she got out from under you. She said "I have to go," and rushed out of the room.

Incident 2:

www.forbes.com/.../**jeffrey-epstein**-sex-offender-yes-bil...
Forbes
by Clare O'Connor - in 138 Google+ circles
Feb 28, 2011 - The pervert of Palm Beach is back in the news, and back to being described as a "billionaire". Here's why he's not.

**3. *Jeffrey Epstein* Philanthropy: Overview**

www.**jeffreyepstein**.org/
*Jeffrey Epstein* Philanthropy supports innovative research and programs in science, medicine, education and international affairs.

**4. *Jeffrey Epstein* VI Foundation - New York, NY - Medical & Health ...**

https://www.facebook.com/**jeffreyepstein**vifoundation
*Jeffrey Epstein* VI Foundation, New York, NY. 27 likes · 1 talking about this. The *Jeffrey Epstein* VI Foundation was founded in 2000 by *Jeffrey Epstein* to sponsor **...**

**5. *Jeff Epstein* profiles | LinkedIn**

www.linkedin.com/pub/dir/**Jeff/Epstein**
View the profiles of professionals named *Jeff Epstein* on LinkedIn. There are 25 professionals named *Jeff Epstein*, who use LinkedIn to exchange information, **...**

**6. Dr. *Jeffrey* M. *Epstein*, MD - Babylon, NY - Neurosurgery ...**

www.healthgrades.com › ... › New York (NY) › Babylon
HealthGrades
Rating: 4.3 - 6 reviews
Visit Healthgrades for information on Dr. *Jeffrey* M. *Epstein*, MD. Find Phone & Address information, medical practice history, affiliated hospitals and more.

**7. Billionaire *Jeffrey Epstein*: I'm a sex offender, not a predator | New ...**

nypost.com/.../billionaire-**jeffrey-epstein**-im-a-...
New York Post
by Amber Sutherland
Feb 25, 2011 - Billionaire pervert *Jeffrey Epstein* is back in New York City — and making wisecracks about his just-ended jail stint for having sex with an **...**

**8. Woody Allen spotted with convicted child sex-offender *Jeffrey* ...**

www.dailymail.co.uk/.../Woody-Allen-spotted-convicted-chil...
Daily Mail
Sep 24, 2013 - Woody Allen has been spotted strolling on New York's Upper East Side with millionaire child sex-offender *Jeffrey Epstein*, who served time for **...**

**9. *Jeffrey Epstein*: International Moneyman of Mystery**

nymag.com/nymetro/news/people/n_7912/
New York Magazine
He's pals with a passel of Nobel Prize–winning scientists, CEOs like Leslie Wexner of the Limited, socialite Ghislaine Maxwell, even Donald Trump. But it wasn't **...**

**10. *Jeffrey Epstein* 'kept a diary of his under-aged victims' - Telegraph**

We rolled into action. A crisis management team was set up, the Board of Regents promptly informed (first through the leadership), and an initial recommendation made. Specifically, I commissioned Baylor's Faculty Athletic Representative (a post required under NCAA procedures) to conduct an internal inquiry into the charges. By design, the "FAR" operates outside of and independent of the Athletic Department. Serving in a watchdog capacity, a form of "check and balance," the FAR reports directly to the president. Respected law professor Jeremy Counsellor took on the role, and within several days, reported back – in a one-page summary that contained only the background of his appointment and his solitary recommendation – that an outside investigation should be conducted. That is, no one inside or connected to the university should be retained to provide a truly independent, honest assessment of the situation.

So it was that Pepper Hamilton, a respected Philadelphia law firm, was retained. Their work began in early September 2015, and came to conclusion in May 2016. To assure the independence of its work, the Pepper Hamilton lawyers reported directly to a special three-person committee of Baylor's Board of Regents. That structure remained in place throughout the lengthy process, culminating in a verbal report – with numerous power point slides – to the Board of Regents in mid-May 2016. The final work product was two-fold: a set of findings of fact, reported by the Board of Regents, and a lengthy set of recommendations from the law firm. There was no "report" in the traditional sense. The Board's findings and Pepper Hamilton's recommendations were publicly released, leading to events that I describe in the next chapter.

The findings were deeply troubling. Moral outrage was the order of the day, throughout the country. This was page one, above-the-fold news. Searing criticism unfolded, not simply of the football program but overall the University's stewardship with respect to interpersonal violence (including sexual assault) was found wanting. The criticisms were directed atincluded what I call "first responders," including campus law enforcement, health services and counseling. Pepper Hamilton's findings were summarized as a "fundamental failure" on the part of the University. This quickly became the prevailing narrative. The narrative was reinforced by additional victims coming forward – some of whom had graduated – about their tragic experiences. These were chronicled in dramatic ways by ESPN's go-for-the-jugular program, "Outside the Lines." Baylor – not just the football program – became a pariah.

Victims' stories moved the thoughtful observer or listener to a powerful combination of empathy and outrage. One's heart goes out to the victim; a second later, waves of outrage wash over the empathetic observer. How could this have happened? Who fell asleep at the switch? Who failed to protect these young women, and why? Did coaches turn a blind eye to reports of unconscionable acts by superstar players – or even non-superstars who abused (or worse) young women?. Did "first responders" on the University's payroll turn a deaf ear to distraught complaints of sexual violence, including rape? How could this be, especially at a self-professed Christian university?

these reform efforts. These leaders need and deserve active, engaged US support. Yet America's recent retreat from the region, following clumsy attempts at nation building, has destabilized and discouraged its allies.

Iran is supporting militias in Iraq, Syria and Yemen whose stated purpose is to eradicate Israel. That threat may create what has been a previously unthinkable alliance between our Gulf Cooperating Council partners and Israel. It's in the interest of all these allies, including Saudi Arabia, Egypt, Palestine, other GCC members, along with Israel, to join forces. That alliance would provide a countervailing balance to the Revolutionary Guard in Iran, the ISIS caliphate and the aggressive aspiration of Turkey, which is further fueled by a renewed Russian push.

The competition for a caliphate has more contestants than just Iran, including ISIS, of course, as well as Turkey, and the Muslim Brotherhood. As the US withdraws, Russia is taking its place as the non-Arab power player in the Middle East. The chill in US-Russia relations has left President Putin free to defy Washington. Without predictable US-support, our allies may have only one direction to turn as Russia capitalizes on every USA misstep in the region.

The emerging alliance between Putin and Turkey's Erdogan has evolved in perfect Kissingerian fashion; sovereign relationships can be as ephemeral as their counterparties' interests. And now that Russia and Turkey seem to have a growing relationship, a counterbalancing alignment needs to be crafted between the GCC and the Arab nations.

The Kingdom of Saudi Arabia has been our longest and strongest ally and, to many Westerners' amazement, it is impossible for the US to move against any hostile Islamic group anywhere in the world without Saudi support. Almost two billion Muslims look to Mecca and Medina as their spiritual heartland and challenging any faction of Islam without the support of its guardian, Saudi Arabia, would be foolhardy.

something which, in turn, is owed to its imperial superstructure. And as that superstructure became too unwieldy, an emperor like the gruff soldier Diocletian could allow for the division of the empire itself into several administrative parts, thus furthering its life span. America, for its part, is unique in its division of federal, state and local power over a vast continental landscape, allowing for the full expression of its boisterous democracy. Say what you will about the deficiencies of the United States and particularly those of Rome, but they both indicate a very difficult truth central to the outcome of the Arab Spring: it is not about the expressions of freedom in Tahrir Square so much as it is about the building of legitimate institutions to replace illegitimate ones. And because institutions are hierarchical—and social media like Twitterand Facebookdismantle existing hierarchies—revolutions enabled by new technology do not necessarily lead to the building of governing organizations. Criticism is not enough, someone must wield power; hopefully in a way less coercive than before.

Meanwhile, the Arab Spring has raised the pressure on autocrats the world over to truly be good—or at least better. Though, even if they are, they can never ultimately get it right, as demonstrated by Mill's example of Marcus Aurelius.

*Robert D. Kaplan is a foreign correspondent for The Atlantic, a senior fellow at the Center for a New American Security in Washington and a member of the Pentagon's Defense Policy Board. His most recent book is Monsoon: The Indian Ocean and the Future of American Power (Random House, 2010).*

**From:** jeffrey E. [jeevacation@gmail.com]
**Sent:** 10/19/2016 3:02:57 PM
**To:** Thomas Jr., Landon [redacted]
**Subject:** Re: Saudi money

**Importance:** High

https://www.theguardian.com/us-news/2016/jul/07/donald-trump-sexual-assault-lawsuits-norm-lubow

On Wed, Oct 19, 2016 at 10:28 AM, Thomas Jr., Landon <[redacted]> wrote:
[redacted]

On Wed, Oct 19, 2016 at 10:26 AM, jeffrey E. <jeevacation@gmail.com> wrote:
number

On Wed, Oct 19, 2016 at 9:55 AM, Thomas Jr., Landon <[redacted]> wrote:
I have spoken to a lot of ceos of fund outfits who say Saudis have been pulling billions of dollars in separate account money -- not just from BR. And plus I cant believe they would have so much tied up in lock ups.

On Wed, Oct 19, 2016 at 9:48 AM, jeffrey E. <jeevacation@gmail.com> wrote:
sorry, no good handle without digging

On Wed, Oct 19, 2016 at 9:47 AM, Thomas Jr., Landon <[redacted]> wrote:
what is your back of the envelope guess as to much saudi money tied up in such funds?

On Wed, Oct 19, 2016 at 9:43 AM, jeffrey E. <jeevacation@gmail.com> wrote:
most of the saudi money is tied up in pe funds. no withdrawals allowed . and im not seeing much in the secondary market. . blackrock is more money market , more like custodian than investor .

On Wed, Oct 19, 2016 at 9:41 AM, Thomas Jr., Landon <[redacted]> wrote:
Interesting. CEO of big finance form told me that Saudis (SAMA) have withdrawn $200 billion that has been parked with usual suspects over past year or so. That number seem in line with what you know?

On Tue, Oct 18, 2016 at 7:04 AM, jeffrey E. <jeevacation@gmail.com> wrote:
words that you to refer to one thing, USA . the stock market / the Royal family, . are no longer very useful. In politics the USA meant the white house. now there is pentagon. cia, state, and congress in addition, each feels empowered to act more independantly. stock market even in tech, needs bio tech, consuner tech. infrastrucrue tech. etc. same with Royal family, there are 20k members of a tribe. called the royal family, the words are misleading. if your article is focused on bin salman, or the very top. no one is wondering where they can find the local costco.. but they are aware that a message needs to be sent to their population , regarding the next 20 years,
social media, and the selfie crowds post the best of everything, their cutest pictures the amazing food , the luxury resorts. the masses see these things and as the difference between expectations and reality widen, the anger grows. trump has tapped in.
with the passage of the 9 11 saudi bill, unlike the french revolution where it was the people of france that revolted against their own aristocracty, with the internet and globalization of discontect it is now the americans that can revolt against the saudi leadership. it is the americans that are demanding women drive. not the saudis

At pivotal moments in our history, America has courageously concluded that a central tenet of its foreign policy, conceived with the best intentions, simply isn't working. Hard though it's been for this proud and mighty nation to admit failure, trading a losing strategy for a fresh course has brought such triumphs as the Nixon-Kissinger pacts with China that isolated the Soviet Union and helped to end the Cold War.

Today, America faces just such a reckoning in the Middle East. Our objective is clear: halting the spread of terrorism that's headed for our shores, threatening mass murder in our suburban shopping malls, city tunnels, and crowded parks. With the Middle East in chaos—as though a raging desert sirocco is destroying all sense of order––the US should make a radical, historic shift in its outreach towards the Arab world.

Given the reluctance of America and its Western allies to launch a military offensive, it's impossible to know when peace will be restored. But right now, while the battles rage, the US can take decisive diplomatic steps to stem the poverty and despair that makes the Middle East a breeding ground for radical Islamic terrorism. America should forge alliances with a new generation of Arab leaders whose principal goal is improving the daily lives of their people. Providing jobs and raising hope among the region's impoverished youth is the best protection for the world's wealthy nations, from America, to Europe, to the Arabian Peninsula.

Once peace is restored, the US should take the lead in establishing a 21st century "Marshall Plan" of economic aid to durably lift living standards in the Middle East's poorest areas.

So what went wrong? For decades, the U.S. has pursued a misguided policy I'll call "embrace and abandon." It started with the "embrace:" recruiting and financing leaders who were blatantly autocratic, yet at the time qualified as America's allies. Then, the U.S. invariably exhorted these strongmen to champion revolutionary democratic

Article 7.

STRATFOR

# The Geopolitics of Israel: Biblical and Modern

The founding principle of geopolitics is that place — geography — plays a significant role in determining how nations will behave. If that theory is true, then there ought to be a deep continuity in a nation's foreign policy. Israel is a laboratory for this theory, since it has existed in three different manifestations in roughly the same place, twice in antiquity and once in modernity. If geopolitics is correct, then Israeli foreign policy, independent of policymakers, technology or the identity of neighbors, ought to have important common features. This is, therefore, a discussion of common principles in Israeli foreign policy over nearly 3,000 years.

For convenience, we will use the term "Israel" to connote all of the Hebrew and Jewish entities that have existed in the Levant since the invasion of the region as chronicled in the Book of Joshua. As always, geopolitics requires a consideration of three dimensions: the internal geopolitics of Israel, the interaction of Israel and the immediate neighbors who share borders with it, and Israel's interaction with what we will call great powers, beyond Israel's borderlands.

Israel has manifested itself three times in history. The first manifestation began with the invasion led by Joshua and lasted through its division into two kingdoms, the Babylonian conquest of the Kingdom of Judah and the deportation to Babylon early in the sixth century B.C. The second manifestation began when Israel was recreated in 540 B.C. by the Persians, who had defeated the Babylonians. The nature of this second manifestation changed in the

**From:** Michael Wolff [redacted]
**Sent:** 1/18/2018 2:32:20 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

He has to turn this into a love story with Soon-Yi. She's the only one who can save him.

On Thu, Jan 18, 2018 at 9:26 AM, jeffrey E. <jeevacation@gmail.com> wrote:
yes, he is having what he refers to as his" brain trust"this weekend. but it appears the group needs a name change. They are all old thinkers. no social media strategy. no links to connecticut report. . the jackals now lying in wait for the next movie release. which i believe cannot happen at all now. but they tell him what he wants to hear. wonder wheel grossed 7m at the box office. the new movie is young ditz, prositutes. . drunken journalism student chasing an older guy. . The connecticut ( hired by the state ) report front page. -- WE interviewed dylan Nine times . two professionals AT THE TIME. we conclude that the story is fantasy. . NOTHING ELSE is relevant. mia. ronan. motives, policeman views. etc.

On Thu, Jan 18, 2018 at 9:20 AM, Michael Wolff <[redacted]> wrote:
Ha! On another note, this Woody thing is going south very quickly. Planning to speak to them this morning.

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Bannon's "nationalist-populist" platform is coherent, rational, and, apparently appealing to a great many people. I can't see why at this point he wouldn't want to use his world-stage stature to make an argument for it and to claim leadership of it. What does he have to lose? What else is there, except to suck up to Trump, and get the chance to be manhandled by him again?

On Thu, Jan 18, 2018 at 8:54 AM, jeffrey E. <jeevacation@gmail.com> wrote:
Great.
I m thrilled for you . At the moment he's coming tomorrow night

On Thu, Jan 18, 2018 at 8:42 AM Michael Wolff <[redacted]> wrote:
All good. I am everybody's darling. Have to keep reminding people that I am actually quite unpopular. Apparently thing of the past--for now (excepting among a small circle of journalists). Ira Rosen, a 60 Minutes producer and a friend of Bannon's, came with a message from SB: "You own me a few million." Rosen also says he believes SB now weighing the strategy of making a formal and public break with Trump. I can't get together today because I have to leave for DC at 11AM to speak to 800 book buyers (not to mention pre-signing 800 books). Then tomorrow AM to LA to do Bill Maher show. Making money is hard work.

On Thu, Jan 18, 2018 at 7:38 AM, jeffrey E. <jeevacation@gmail.com> wrote:

harmed if not killed," the plaintiff said in an affidavit.

**12 photos view gallery**

### The women accusing Donald Trump of sexual assault

She says that since Trump launched his campaign and received mass media coverage, she has been "subjected to daily painful reminders of the horrific acts."

A similar lawsuit by the woman was dismissed by a Los Angeles Federal Court in May.

A lawyer who was representing the woman at the time, Thomas Meagher, said the original suit, which she filed without the help of an attorney, was dismissed because it cited statutes that did not apply to the case.

### Trump campaign manager: There'd be no rape if women were stronger

Alan Garten, vice president and general counsel of the Trump Organization, has said the allegations were "categorically untrue, completely fabricated and politically motivated."

Epstein, who is also named as a defendant, has also denied the allegations. Epstein is alleged to have preyed on dozens of underage girls in the late 1990s and early 2000s, but pleaded guilty to soliciting a minor in just one case in 2008.

agent and Jean Pigozzi as an international banker.

Lunch is called at 4 p.m. and Michael Douglas takes seven heavily made-up and bejeweled women including Susan, Jill and me to a restaurant around the corner. Gordon Gekko hosts a hen party talking about children, schools, country houses and vacations.

Back on the set Oliver is shooting the actual dinner. Assistant directors ask for volunteers to dance to the live music. Prince Dimitri twirls and dips Jackie Weld. Kelly Klein, in her own Karl Lagerfeld sheer black organza, watches from a table with scattered champagne glasses half-filled with apple juice along with her 86-year-old father, Tulley Rector. Charlie Sheen leaves for LA and Shia is very annoyed he was not introduced to his hero. Carrie Mulligan, costumed like Audrey Hepburn, chats with us between takes.

The final set up is a long tracking shot of Josh Brolin and his wife as they triumphantly enter the ball. It is close to 9 p.m. and Lord William Astor arrives to pick me up for Amalia Dayan and Adam Lindemann's dinner for artists uptown.

Oliver is introduced to William and delights in calling him Lord as he immediately moves him into the top of the shot and instructs him to tell Eli Wallach, "We must do lunch". Ever the proper English gentleman, William advises Oliver that Lords do not use American slang and improvises his own lines. The tracking shot continues for numerous takes following Josh and Noelle as every VIP extra gets another shot at instant stardom with one-line greetings.

At last, “It’s a wrap” is screamed after 10 p.m. Prince Dimitri tells The Wall Street Journal it was, "a day of electrifying glamour," and “the longest gala of my life. I was in black tie for thirteen hours."

November 25, Tommy Gun Salon, Ludlow Street, last day of shooting

Donald Trump is on set at 7 a.m. ready for his close up. He is trying to make a mid-day departure on his jet from Teterboro with wife Melania and son Baron for Thanksgiving weekend in Palm Beach. Back in September, Oliver had invited Donald Trump to dinner at "21" to meet his leading men Josh and Shia so they could observe New York's most charismatic powerbroker in his natural environment.

The scene is London so the grey skies are perfect. Gekko has moved abroad to make his financial comeback. The scene opens on the back of his head in a barber's chair as he watches the financial news on TV. The camera pulls back and Gordon Gekko is finally revealed as the powerful bull he once was in an exquisite suit and signature slicked-back hair. Donald Trump walks into the shop for a cut and the banter begins about the money market. From his chair, Donald leans into Michael and suggests a "comb over" like his famous do. Gekko, with a slight grin, says, "No thanks Donald, I am a gel man."

The crew is yucking it up and Donald feels great. Paparazzi shoot the whole scene with long lenses from across the street. The unit publicist is helpless to keep this under wraps. Donald emerges, poses and gives interviews. Michael comes out, and the press think they have a scoop on the ending. Gekko is back in all his lovable titan splendor. Full-page photos of Michael and Donald run the next day in the tabloids. Never underestimate Oliver Stone’s surprise endings.

Twentieth Century Fox releases "Wall Street 2: The Money Never Sleeps" on April 23rd and it's got hit written all over it.

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**********
The information contained in this communication is
confidential, may be attorney-client privileged, may
constitute inside information, and is intended only for
the use of the addressee. It is the property of

needs corrrection.. Netanyahu is not a coward. I've seen him as a young special forces officer ,under my command, facing fire directly and taking risks to his life. A very courageous soldier. That will never change. cheap words serve little purpose .The same applies to President Obama and Secretary Kerry. they are not enemies of Israel. they are Good Friends. Kerry has exhibited decades long support for Israel. Since he became Secretary of State he has invested his time energy and prestige trying to help Israel and the Palestinians to bridge disputes and reach a breakthrough. it was a noble effort which should justify thanks rather than accustations. We are of course concerned by the lack of outcome of the P5+1 negotiations with Iran and we think that the chemical weapons removal from Syria could have been handled differently But President Obama strengthens the legacy of Presidential support for Israel.. Israel has a vital interest in resuming the healthy trust, and mutual respect that existed until recently.

. I believe that the most profound internal debate inside Israel today is in regard to the relationship

Article 2.

Herald Tribune

# Buying Into Palestinian Statehood

Yossi Alpher, Colette Avital, Shlomo Gazit, and Mark Heller

June 24, 2011— Instead of wasting time and energy trying to revive a moribund Israeli-Palestinian peace process, the United States and European Union should take another look at the Palestinian initiative to seek U.N. recognition in September. What is described in some quarters as a recipe for new strife and confrontation can actually be leveraged into a win-win situation for Israelis, Palestinians and the world.

The Palestinians under Mahmoud Abbas want the United Nations to grant them a sovereign state based on the 1967 boundaries with East Jerusalem as its capital. That's all. It is not asking the U.N. to solve the refugee /right-of-return issue or to determine who owns the Temple Mount in Jerusalem. It is opting to convert an intractable conflict between a state and a liberation movement into a state-to-state conflict with manageable parameters.

Why not offer the Palestinians what they want, but add elements that could render the resolution acceptable to a majority of Israelis?

Israel wants acceptance as a Jewish state with its recognized capital in Jerusalem. It needs assurances regarding the nature and priorities of future negotiations, with the truly intractable issues postponed to a later phase. It needs solid security arrangements, understandings regarding Hamas rule in Gaza, and a viable incentive from an Arab world that has long offered to reward it for moving forward with the Palestinians.

Here are the components of a possible "win-win" U.N. resolution regarding Palestinian statehood:

**From:** jeffrey E. [jeevacation@gmail.com]
**Sent:** 1/18/2018 2:44:02 PM
**To:** Michael Wolff [[redacted]]
**Subject:** Re:

you and i as usual agree. - tell you more face to face. I an going to ask SB to sign your book

On Thu, Jan 18, 2018 at 9:42 AM, Michael Wolff <[redacted]> wrote:
Yes, yes, that's their continuing resistance speaking. But that doesn't change the fact that it is their ONLY option. AND it's a slam-dunk one. She would turn it around. If Dylan is coming out to speak publicly, Soon-Yi also has to. If Dylan is allowed to be the center of this story, Woody is cooked. If Soon-Yi claims it--and she is actually the center of the story--everything shifts and they can make it their own.

On Thu, Jan 18, 2018 at 9:37 AM, jeffrey E. <jeevacation@gmail.com> wrote:
not intellectually capable. . and frankly -unwiling. my shrink says .....

On Thu, Jan 18, 2018 at 9:32 AM, Michael Wolff <[redacted]> wrote:
He has to turn this into a love story with Soon-Yi. She's the only one who can save him.

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Article 7.

Project Syndicate

# Does Anything Matter?

Peter Singer

2011-06-13 – Can moral judgments be true or false? Or is ethics, at bottom, a purely subjective matter, for individuals to choose, or perhaps relative to the culture of the society in which one lives? We might have just found out the answer.

Among philosophers, the view that moral judgments state objective truths has been out of fashion since the 1930's, when logical positivists asserted that, because there seems to be no way of verifying the truth of moral judgments, they cannot be anything other than expressions of our feelings or attitudes. So, for example, when we say, "You ought not to hit that child," all we are really doing is expressing our disapproval of your hitting the child, or encouraging you to stop hitting the child. There is no truth to the matter of whether or not it is wrong for you to hit the child.

Although this view of ethics has often been challenged, many of the objections have come from religious thinkers who appealed to God's commands. Such arguments have limited appeal in the largely secular world of Western philosophy. Other defenses of objective truth in ethics made no appeal to religion, but could make little headway against the prevailing philosophical mood.

Last month, however, saw a major philosophical event: the publication of Derek Parfit's long-awaited book On What Matters. Until now, Parfit, who is Emeritus Fellow of All Souls College, Oxford, had written only one book, Reasons and Persons, which appeared in 1984, to great acclaim. Parfit's entirely secular arguments, and the comprehensive way in which he tackles

ok.. I just sent an additional email which moderates this.. everyone was a victim, including Jeffrey here.. and there was no happy resolution.. please add.. "probably everyone was a victim, with no happy resolution or consequences of these activities", after "was the victim in this case.".

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Okay, thanks for this statement . . . I'll print it in full along with the article, probably today. I very, very strongly disagree with your position and hope you eventually reconsider, but I do appreciate you taking the time to respond.

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On Wed, Apr 6, 2011 at 1:15 PM, Lawrence Krauss [redacted] wrote:

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On Apr 6, 2011, at 9:57 AM, Rebecca Watson wrote:

Thanks for getting back to me. I was asking because I found the quote shocking . . . the evidence against Epstein is overwhelming and he's even pled guilty to paying for sex with a minor. It's in no way scientific or rational to assume that because you never saw him with an underage girl he must actually be innocent. It is possible for a person to be kind and generous with his friends but still a criminal paying for sex with underage girls in his private life.

I'm going to write about the topic on Skepchick, and I'll include any additional statement you'd like if you want to provide more context or if you've changed your mind.

-R

On Wed, Apr 6, 2011 at 12:50 PM, Lawrence Krauss [redacted] wrote:

yes it is.. Based on my direct experience with Jeffrey, which is all I can base my assessment on, he is a thoughtful, kind, considerate man who is generous to his friends, and all of the women I have known who have been associated with Jeffrey speak glowingly in the same words..

why are you asking?

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On Apr 6, 2011, at 9:41 AM, Rebecca Watson wrote:

Dear Professor Krauss,

We met briefly after your talk in Ithaca a few months ago – I'm the girl on The Skeptics' Guide to the Universe podcast. I've really enjoyed your talks and books, but I was surprised to see you quoted in the Daily Beast recently defending Jeffrey Epstein:
http://www.thedailybeast.com/blogs-and-stories/2011-04-01/bill-clinton-katie-couric-woody-allen-jeffrey-epsteins-society-friends-close-ranks/2/

Can you confirm if the following quote is accurate?

"If anything, the unfortunate period he suffered has caused him to really think about what he wants to do with his money and his time, and support knowledge," says Krauss. "Jeffrey has surrounded himself with beautiful women and young women but they're not as young as the ones that were claimed. As a scientist I always judge things on empirical evidence and he always has women ages 19 to 23 around him, but I've never seen anything else, so as a scientist, my presumption is that whatever the problems were I would believe him over other people." Though colleagues have criticized him over his relationship with Epstein, Krauss insists, "I don't feel tarnished in any way by my relationship with Jeffrey; I feel raised by it."

Thanks,
Rebecca Watson

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why are you asking?

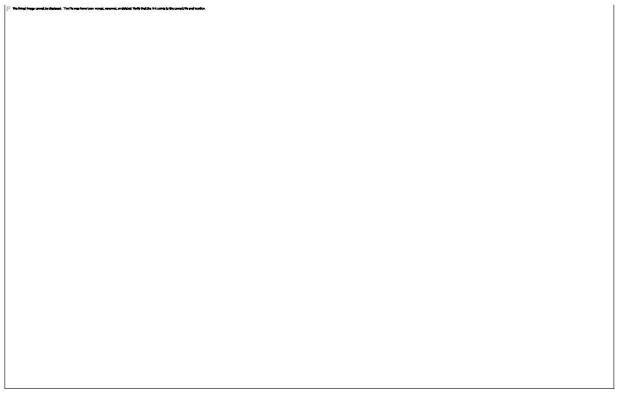
Recent bank stress tests conducted by the EU concluded that only Eur 2.5 billion of capital needs to be raised (70 to 80 billion sounds more reasonable to us). And in the package announced last week, the **following Orwellian clause** indicates how European policymakers feel about rating agencies these days:

*Point 15. We agree that reliance on external credit ratings in the EU regulatory framework should be reduced, taking into account the Commission's recent proposals in that direction, and we look forward to the Commission proposals on credit ratings agencies*

In Europe, denial appears to be an essential ingredient to the process (See "*Five Stages of Greece*", June 30, 2011). **Last week's package is a bold step towards Federalization and the worst-case outcomes have been avoided (money market failures, bank runs, etc), but markets will remain nervous about Europe**.

**While we're waiting: large cap growth stocks**

One day, the melodramas around US and European sovereign debt will end. While we're waiting, one of the asset classes that looks attractive is large cap growth stocks. As shown below (for a universe of 300 U.S. large cap growth stocks that meet certain earnings quality and stability factors), **free cash flow relative to both revenues and stock prices looks good compared to the last four decades**. This is where we believe investors should be adding exposure if they are underweight versus their desired equity allocations. This is also an asset class where active management can still provide a lot of value; the dispersion of large cap growth managers is higher than large cap core, large cap value and international equity manager dispersion.



**Q2 earnings season in the US is off to a good start**. Nearly 30% of the S&P has reported, and results have generally been positive. Earnings are beating consensus estimates by almost 4% (7.4% ex-financials), all ten sectors are beating on revenue targets, and only 7% of companies are reporting below-consensus earnings. Given earnings expectations for 2011 at $98.50, the S&P 500 is trading at a reasonable 13.5x forward multiple. However, y/y earnings growth expectations appear to be flattening out for both 2011 and 2012 at around 11%-12%. While Q2 earnings are doing well so far, some company guidance for the remainder of the year has been below consensus, which would be consistent with the recent batch of reports indicating a slowdown in manufacturing and service sector surveys.

Michael Cembalest
Chief Investment Officer

Notes

[a] Bundesbank President Weidmann, in response to last week's package: "By transferring significant risks to the support-giving countries and their taxpayers, the Euro area has taken a large step to socialising risks created by unsound government finances and macroeconomic problems. This weakens the foundations of the fiscal self-responsibility that EMU is built on".

CBO Congressional Budget Office
OMB Office of Management and Budget
EFSF European Financial Stability Facility
FICA Federal Insurance Contributions Act
EU European Union
IMF International Monetary Fund

# Profile: Michael Nobel, who visited Japan in March, 2010

## Michael Nobel

Trustee, Nobel Family Society
Former Chairman of the Nobel Charitable Trust in Switzerland
Former Chairman of the Appeal of the Peace Prize Laureates Foundation.

【Michael Nobel's Profile】

Dr. Nobel was born in Sweden and has been living in Switzerland for many years. He is a citizen of Sweden and Switzerland. After studies in Sweden and America he obtained a doctorate at the University of Lausanne in psycho-pedagogy in 1979. He then worked for seven years as a researcher in social sciences at the Institute for Mass Communication at the Lausanne University and at the Institute of Social and Preventive Medicine and has been a consultant to UNESCO in Paris and the United Nation's Social Affairs Division in Geneva.

Commercially he participated in the introduction of magnetic resonance imaging and is chairman or board member of a total of 10 international companies in the fields of diagnostics, treatment, financial investments and information systems in the field of medicine, satellite communications, Internet service provision, airport security, management consulting and finance.
In his idealistic work Michael Nobel is chairman or board member of several non-for-profit organizations in the field of conflict resolution, youth education and development. He has also served as Chairman of the Nobel Charitable Trust, a trust that will honor politicians, scientists and corporations who make a significant contribution in the field of renewable energy by providing awards. NCT also plans to hold international conferences in this field.

Michael Nobel has received numerous international citations and awards for his work in the fields of medicine and conflict resolution including an honorary doctorate from Soka University and an honorary professorship from the National Academy of Science of Azerbaijan. He is also an honorary member of two Rotary clubs and in 1997 Rotary International conferred on him the Paul Harris Fellowship Award.

In 2002 he was awarded the Gandhi, King, Ikeda Award from Morehouse College in Atlanta, earlier only given once, to Prince El Hassan bin Talal of Jordan. In 2004 he became the Board of Trustees Citation Recipient from the Midwest Research Institute of Kansas City. Previous recipients include Margaret Thatcher (former Prime Minister of the United Kingdom), Henry Kissinger (former US National Security Advisor), Paul Volcker (former chairman of the Federal Reserve Bank), Edward Teller (father of the H-bomb) and Henry Ford (founder of the Ford Motor Company).

In 2004 he was appointed foreign member of the Russian Academy of Natural Sciences as well as receiving the UNESCO medal for outstanding contributions to the cultural dialogue between nations. The same year in Jerusalem he received the Albert Einstein Medal for Outstanding Achievements in Life Sciences and Technology and in 2006 the International Order of Perfection, First Class.



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# Other Events

To promote interest and knowledge of environmental issues and renewable, alternative and sustainable energy resources in children.
Establishment of the NCT Children's Goodwill Ambassador

## Events for Children

### Experiments & Interactive Events

Provide children, who will take on the role of R&D for future energies, an opportunity to learn and experience energy and the environment

#### Experimenting with the Wonders of Energy

A special children's experiment corner will be set up in the exhibition zone

With the cooperation of exhibitors, we will have a corner for children to experience energy related experiments. (ex. fuel cell experiments etc.)
Purpose is for children to experience and understand, not to watch experiments

◆ Only available on public days. Participation will be on a first come first serve basis

#### Experimental Show: the Wonders of Energy

Energy and environment related experiment shows will be conducted on the special stage in the Atrium on public days

Ex. Performances by popular science producer Denjiro Yonemura (energy experiment shows)

Denjiro Yonemura

◆Only available on public days, Participation is free

Establishment of the NCT Children's Goodwill Ambassador program.
Camps for children to experience and think about nature/
visits to locations with environmental issues (plan)

Provide an opportunity to exchange information and promote application into future businesses

## Deepen Exchanges Between Members

### Reception Party

After the end of Day 1, a reception party inviting members and other related authorities will be held to provide an opportunity to promote and deepen exchanges.

#### Outline

The reception party will be an informal gathering for NCT and members to deepen exchanges, an opportunity for future product development and opening new distribution channels,

- Date & Time: Day 1 (18:00 to 20:00)
- Place: Reception Hall ( 1,700㎡ )
- Participants: Members (2 per corporation), other related authorities, approx. 1500 people
- Reception Style: Stand up Party

〈Draft Schedule〉

①Opening Speech by Host
②Guest Speaker
③Festive Opening of Sake Barrel
④Free time
⑤Show time
⑥Free time

〈Example of Shows〉

Tap Show
( Super LiBLAZE )

Illusion Magic
( Cyril )



HOUSE_OVERSIGHT_031374

The reassignment means that the U.S. attorney for the Northern District of Georgia, Byung J. “BJay” Pak, will oversee the case for the government. Pak, a former Georgia lawmaker, was appointed Atlanta’s chief federal prosecutor by President Trump in October 2017.

The Justice Department is still under a Friday deadline for prosecutors to confer with the victims’ attorneys in an effort to settle the case. On Feb. 22, U.S. District Judge Kenneth A. Marra in Palm Beach ruled that federal prosecutors, under former Miami U.S. Attorney Alexander Acosta, broke the law when they concealed a plea agreement from more than 30 underage girls in Palm Beach who had been sexually abused by Epstein, a multimillionaire New York hedge fund manager.

Marra stopped short of voiding the agreement, which granted Epstein and an untold number of accomplices immunity from federal prosecution for sex trafficking crimes, provided Epstein plead guilty to minor charges in state court. At the time of the plea deal, federal prosecutors had gathered enough evidence against Epstein to write a 53-page federal indictment, court records show.

## Play Video

DurationÂ

12:20

## The story behind a Palm Beach sex offender’s remarkable deal

**The story behind a Palm Beach sex offender’s remarkable deal**
**Emily Michot**

An investigation by the Miami Herald, “Perversion of Justice,’’ found that after Acosta met privately with one of Epstein’s lawyers, the government agreed to seal the plea agreement so that no one — not the victims, not even the state court judge who sentenced Epstein — would know the full extent of his crimes. Epstein, now 66, was allowed to plead guilty to prostitution charges and served 13 months in the Palm Beach County jail, where he was given liberal work release, and allowed to travel to New York and his private island in the Caribbean during his subsequent house arrest. He was released in 2009, and now divides his time between New York, Palm Beach and the U.S. Virgin Islands.

The Herald interviewed four of Epstein’s victims, who were as young as 13 at the time they were abused by Epstein. They said they felt betrayed by state and federal prosecutors, who treated them like prostitutes instead of victims. Two of them sued the federal government in 2008 under the Crime Victims’ Rights Act, which grants crime victims the right to be informed about plea deals and to confer with prosecutors.

Marra, in a 33-page opinion, said prosecutors not only intentionally violated the Crime Victims’ Rights Act, but they misled the girls into believing that the FBI’s sex trafficking case against Epstein was ongoing — when, in fact, prosecutors had secretly closed it after sealing the plea bargain from the public record.

**From:** jeffrey E. [jeevacation@gmail.com]
**Sent:** 10/19/2016 1:48:17 PM
**To:** Thomas Jr., Landon[redacted]
**Subject:** Re: Saudi money

**Importance:** High

sorry, no good handle without digging

On Wed, Oct 19, 2016 at 9:47 AM, Thomas Jr., Landon <[redacted]> wrote:
what is your back of the envelope guess as to much saudi money tied up in such funds?

On Wed, Oct 19, 2016 at 9:43 AM, jeffrey E. <jeevacation@gmail.com> wrote:
most of the saudi money is tied up in pe funds. no withdrawals allowed . and im not seeing much in the secondary market. . blackrock is more money market , more like custodian than investor .

On Wed, Oct 19, 2016 at 9:41 AM, Thomas Jr., Landon <[redacted]> wrote:
Interesting. CEO of big finance form told me that Saudis (SAMA) have withdrawn $200 billion that has been parked with usual suspects over past year or so. That number seem in line with what you know?

On Tue, Oct 18, 2016 at 7:04 AM, jeffrey E. <jeevacation@gmail.com> wrote:
words that you to refer to one thing, USA . the stock market / the Royal family, . are no longer very useful. In politics the USA meant the white house. now there is pentagon. cia, state, and congress in addition, each feels empowered to act more independantly. stock market even in tech, needs bio tech, consuner tech. infrastrucrue tech. etc. same with Royal family, there are 20k members of a tribe. called the royal family, the words are misleading. if your article is focused on bin salman, or the very top. no one is wondering where they can find the local costco.. but they are aware that a message needs to be sent to their population , regarding the next 20 years,
social media, and the selfie crowds post the best of everything, their cutest pictures the amazing food , the luxury resorts. the masses see these things and as the difference between expectations and reality widen, the anger grows. trump has tapped in.
with the passage of the 9 11 saudi bill, unlike the french revolution where it was the people of france that revolted against their own aristocracy, with the internet and globalization of discontect it is now the americans that can revolt against the saudi leadership. it is the americans that are demanding women drive. not the saudis

On Mon, Oct 17, 2016 at 5:57 PM, Thomas Jr., Landon <[redacted]> wrote:
I have been called in to help on a big NYT investigation into how low oil prices have been effecting the personal finances of royal family in Saudi Arabia. Obviously they called in much of their cash from the likes of BlackRock and others but I thought you might have some ideas. Maybe some people to talk to?

I would think its more than cutting down on yachts and private planes or selling real estate in Paris, Istanbul, London.

Any thoughts?

PS: does my story on Abraaj get me a meeting with Gates next time he is in town:)

--

always trump an imposed political structure, especially the Western-exported concept of the nation-state.

Following World War II, as European colonialism waned, the US assumed a more significant role in the Middle East. US foreign policy was driven primarily by oil interests, the protection of Israel and resistance to Soviet aggression. To prevent the region from dissolving in sectarian conflict, the US established a series of autocracies. The campaign included restoring the Shah of Iran to the throne after the democratically elected Mosaddegh regime nationalized oil fields, and supporting for the Baathist overthrow of the Qasim government in Iraq, which gave rise to Saddam Hussein.

Following the end of the Cold War, America's foreign policy gravitated toward nation building, and the widespread promotion of democracy and human rights abroad. However, an iron fisted policies the strongmen imposed to remain in power conflicted with the moral endeavor to curate democracy afar. Hence, America's crusade undermined its original goals by threatening the same autocratic regimes the US had helped establish.

As the leaders the West once championed are toppled one by one, the boot-prints of Western Power are clearly visible. Regimes once supported by the US have fallen, marking the failure of embrace and abandon. In Egypt, Mubarak was in, then deserted. In Iraq, Hussein was in, then deposed. In Libya, Gaddafi was in, then overthrown with US support. In Syria with Assad, it was the same scenario. The instability created by contradictory Western interests has invited far worse atrocities by the new regimes than the crimes perpetrated by the previous order. The massacres in Syria and Iraq are obvious, bitter examples.

Filling the void are a multitude of warring sectarian groups from ISIS to Syrian rebels. The factions each generally fight under their own flag of political Islam. The rise of Islamic factions battling for territory is a

Article 4.

Guardian

# Turkey has a key role in Syria – now and in the future

Simon Tisdall

16 November 2011 -- The Arab League's unexpectedly tough action in suspending Syria, ostracising President Bashar al-Assad, and inviting opposition leaders to talks in Cairo has outraged the regime in Damascus, which suspects a US-led conspiracy to impose forcible regime change. But the increased hostility exhibited by Turkey, Syria's most powerful and best-connected neighbour, may yet prove decisive as Ankara assumes a crisis leadership role.

Until the uprising tore apart old certainties, the Turkish prime minister, Recep Tayyip Erdogan, had invested considerable capital in improved ties with Syria, with which Turkey almost went to war in the 1990s. A turning point came with the 2004 free trade agreement. This interdependence now gives Turkey significant economic leverage. Ankara has already imposed unilateral sanctions and is considering additional measures including a cut in electricity supplies.

Erdogan turned the screw again this week, accusing Assad personally of "feeding on blood" after he failed to honour the Arab League peace plan. "No regime can survive by killing or jailing," he said. "No one can build a future over the blood of the oppressed."

Turkey's motives are not difficult to discern. Chaos on its fragile southern flank, and Syria's possible descent into civil war, would be reasons enough to prompt Ankara's intervention. But Erdogan was also incensed by weekend attacks on Turkey's embassy in Damascus and regional consulates, apparently orchestrated by the regime. The

between Israel's security needs and the viability of the "two states solution". We all agree that we are living in a tough, merciless and highly unpredictable neighborhood..So it is clear that our security needs are of the highest priority and we should build certain "safety margins" into any future security planning.But the Israeli Right is going too far by arguing that the security needs of Israel renders any viable,demilitarized independent, Palestinian State - impossible.

In other words, the " lesson" of recent years according to our Right is that Israel's Security and the "two states solution" are incompatible. I believe this is a fallacious conclusion, driven by narrow political interests.

I've served a lifetime career, fighting and defending my country's security. Most of the time in uniform. Based on this experience ,I confidently conclude,and it is a professional rather than political answer, that if and when a Palestinian demilitarized independent State will be established side by side with Israel behind borders which will consist of a solid Jewish majority for generations to come and will include the major "Settlement

**From:** Michael Wolff[redacted]
**Sent:** 1/18/2018 2:42:25 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

Yes, yes, that's their continuing resistance speaking. But that doesn't change the fact that it is their ONLY option. AND it's a slam-dunk one. She would turn it around. If Dylan is coming out to speak publicly, Soon-Yi also has to. If Dylan is allowed to be the center of this story, Woody is cooked. If Soon-Yi claims it--and she is actually the center of the story--everything shifts and they can make it their own.

On Thu, Jan 18, 2018 at 9:37 AM, jeffrey E. <jeevacation@gmail.com> wrote:
not intellectually capable. . and frankly -unwiling. my shrink says .....

On Thu, Jan 18, 2018 at 9:32 AM, Michael Wolff <[redacted]> wrote:
He has to turn this into a love story with Soon-Yi. She's the only one who can save him.

On Thu, Jan 18, 2018 at 9:26 AM, jeffrey E. <jeevacation@gmail.com> wrote:
yes, he is having what he refers to as his" brain trust"this weekend. but it appears the group needs a name change. They are all old thinkers. no social media strategy. no links to connecticut report. . the jackals now lying in wait for the next movie release. which i believe cannot happen at all now. but they tell him what he wants to hear. wonder wheel grossed 7m at the box office. the new movie is young ditz, prositutes. . drunken journalism student chasing an older guy. . The connecticut ( hired by the state ) report front page. -- WE interviewed dylan Nine times . two professionals AT THE TIME. we conclude that the story is fantasy. . NOTHING ELSE is relevant. mia. ronan. motives, policeman views. etc.

On Thu, Jan 18, 2018 at 9:20 AM, Michael Wolff <[redacted]> wrote:
Ha! On another note, this Woody thing is going south very quickly. Planning to speak to them this morning.

On Thu, Jan 18, 2018 at 9:17 AM, jeffrey E. <jeevacation@gmail.com> wrote:
why dont we also ask harvey weinstein to join to make sure we dont get any press :)

On Thu, Jan 18, 2018 at 9:16 AM, Michael Wolff <[redacted]> wrote:
don't forget I want to go with you to the mid east sometime....

On Thu, Jan 18, 2018 at 9:15 AM, jeffrey E. <jeevacation@gmail.com> wrote:
im off sat to europe mid east etc. return around the 30

On Thu, Jan 18, 2018 at 9:08 AM, Michael Wolff <[redacted]> wrote:
Bannon's "nationalist-populist" platform is coherent, rational, and, apparently appealing to a great many people. I can't see why at this point he wouldn't want to use his world-stage stature to make an argument for it and to claim leadership of it. What does he have to lose? What else is there, except to suck up to Trump, and get the chance to be manhandled by him again?

On Thu, Jan 18, 2018 at 8:54 AM, jeffrey E. <jeevacation@gmail.com> wrote:
Great.
I m thrilled for you . At the moment he's coming tomorrow night

On Thu, Jan 18, 2018 at 8:42 AM Michael Wolff <[redacted]> wrote:

# California woman accusing Donald Trump of raping her when she was 13 years old to break her silence

The woman behind a potentially damaging lawsuit accusing Donald Trump of raping her when she was an underage teen will break her silence today, her lawyer said.

The California woman, known until now as "Jane Doe," will finally give voice to long-denied allegations that the Republican presidential nominee sexually assaulted her in New York during a series of sex parties hosted by alleged billionaire pedophile Jeffrey Epstein in 1994.

The woman filed a lawsuit in Manhattan Supreme Court in June. She is scheduled to speak at a Los Angeles press conference this afternoon.

She said she was 13 at the time of the alleged attacks.

## Lawsuit accusing Trump of raping girl, 13, gets December hearing

"Immediately following this rape, Defendant Trump threatened me that, were I ever to reveal any of the details of Defendant Trump's sexual and physical abuse of me, my family and I would be physically

The reassignment means that the U.S. attorney for the Northern District of Georgia, Byung J. “BJay” Pak, will oversee the case for the government. Pak, a former Georgia lawmaker, was appointed Atlanta’s chief federal prosecutor by President Trump in October 2017.

The Justice Department is still under a Friday deadline for prosecutors to confer with the victims’ attorneys in an effort to settle the case. On Feb. 22, U.S. District Judge Kenneth A. Marra in Palm Beach ruled that federal prosecutors, under former Miami U.S. Attorney Alexander Acosta, broke the law when they concealed a plea agreement from more than 30 underage girls in Palm Beach who had been sexually abused by Epstein, a multimillionaire New York hedge fund manager.

Marra stopped short of voiding the agreement, which granted Epstein and an untold number of accomplices immunity from federal prosecution for sex trafficking crimes, provided Epstein plead guilty to minor charges in state court. At the time of the plea deal, federal prosecutors had gathered enough evidence against Epstein to write a 53-page federal indictment, court records show.

## Play Video

DurationÂ

12:20

## The story behind a Palm Beach sex offender’s remarkable deal

**The story behind a Palm Beach sex offender’s remarkable deal**
**Emily Michot**

An investigation by the Miami Herald, “Perversion of Justice,’’ found that after Acosta met privately with one of Epstein’s lawyers, the government agreed to seal the plea agreement so that no one — not the victims, not even the state court judge who sentenced Epstein — would know the full extent of his crimes. Epstein, now 66, was allowed to plead guilty to prostitution charges and served 13 months in the Palm Beach County jail, where he was given liberal work release, and allowed to travel to New York and his private island in the Caribbean during his subsequent house arrest. He was released in 2009, and now divides his time between New York, Palm Beach and the U.S. Virgin Islands.

The Herald interviewed four of Epstein’s victims, who were as young as 13 at the time they were abused by Epstein. They said they felt betrayed by state and federal prosecutors, who treated them like prostitutes instead of victims. Two of them sued the federal government in 2008 under the Crime Victims’ Rights Act, which grants crime victims the right to be informed about plea deals and to confer with prosecutors.

Marra, in a 33-page opinion, said prosecutors not only intentionally violated the Crime Victims’ Rights Act, but they misled the girls into believing that the FBI’s sex trafficking case against Epstein was ongoing — when, in fact, prosecutors had secretly closed it after sealing the plea bargain from the public record.

**Advisors:** Secretary of State Hillary Clinton, Defense Secretary Leon Panetta, National Security Advisor Thomas Donilon.

**On the issues:**

**Afghanistan/Pakistan:** "We have put al Qaeda on a path to defeat," Obama announced last June, noting that the 33,000 "surge" troops he sent to Afghanistan in 2009 would be out of the country by the summer of 2012. Although a constant barrage of drone strikes and special operations raids have taken a harsh toll on al Qaeda, it may be difficult for Obama to make the case that Afghanistan has achieved stability or that Hamid Karzai's government can stand on its own without U.S. assistance.

Relations with Pakistan have deteriorated significantly under Obama's tenure, particularly following the bin Laden raid. He has pledged to "constantly evaluate" the relationship between the two countries going forward but says he would be hesitant to cut off aid that could "help the Pakistani people strengthen their own society and their own government."

**Military spending:** Backed by his then current defense secretary, Robert Gates, Obama announced last April that the Pentagon will lead a "fundamental review" of U.S. military capabilities in order to cut $400 billion in defense spending over the next 10 years. "We need to not only eliminate waste and improve efficiency and effectiveness, but conduct a fundamental review of America's missions, capabilities, and our role in a changing world," Obama said. Of course, major cuts could come sooner than that if the congressional "supercommittee" fails to reach an agreement on deficit reduction by Nov. 23.

shoe-based and hand held satellite tracking products - will address the Cornell Business students that are analyzing a case study that was developed over the past year at the university.
Download the full article

**GTXC announces newest addition to PERSONAL GPS suite of miniaturized location-finding solutions**

Los Angeles, California, June 1, 2006 - GTXC (GTX Corporation), known worldwide for developing and commercializing innovative shoe-based GPS tracking technologies, today announced a downloadable location-finding application for hand held PDAs.
Beginning with PaqTrax™ for the HP iPaq 6515, the newest GTXC application integrates a PDA's embedded GPS abilities with the internet-based GTXC TrackPack™, creating a complete Personal GPS™ tracking and location-finding solution.
Download the full article

**Boston University study validates Americans' acceptance of Person-to-Person (P2P) surveillance**

Los Angeles, California, March 14, 2006 - GTXC, Inc., maker of miniaturized tracking technologies - including a patented shoe-based GPS location-finding platform - shared in the release of a recent Boston University study which offers proof of strong consumer demand for Person-To-Person (P2P) tracking and surveillance products. Despite increased media attention to governmental eavesdropping and surveillance issues, the study's conclusions contradict privacy advocates and redress recent media sentiments by finding that up to 81% of those surveyed approve the use of P2P surveillance under specific situations, and nearly a third (32%) say they are likely to use a tracking device to monitor a loved one in the future.
Download the full article

**GTXC announces world's first GPS location-reporting technology built into footwear**

Los Angeles, California, February 10, 2006 - After several years of intensive research and development, GTXC (GTX Corporation) today announced the world's first GPS location-reporting platform built into footwear. Unveiled at the World Shoe Association trade show in Las Vegas, Nevada, the company's patented solution links advanced GPS and cellular miniaturization technology with internet-based monitoring capabilities to provide accurate, real-time location and movement history to a wide range of users. Their shoe-based technology also introduces an

Article 1.

NYT

# Building Boom in Gaza's Ruins Belies Misery That Remains

Ethan Bronner

June 25, 2011 -- GAZA — Two luxury hotels are opening in Gaza this month. Thousands of new cars are plying the roads. A second shopping mall — with escalators imported from Israel — will open next month. Hundreds of homes and two dozen schools are about to go up. A Hamas-run farm where Jewish settlements once stood is producing enough fruit that Israeli imports are tapering off.

As pro-Palestinian activists prepare to set sail aboard a flotilla aimed at maintaining an international spotlight on Gaza and pressure on Israel, this isolated Palestinian coastal enclave is experiencing its first real period of economic growth since the siege they are protesting began in 2007.

"Things are better than a year ago," said Jamal El-Khoudary, chairman of the board of the Islamic University, who has led Gaza's Popular Committee Against the Siege. "The siege on goods is now 60 to 70 percent over."

Ala al-Rafati, the economy minister for Hamas, the militant group that governs Gaza, said in an interview that nearly 1,000 factories are operating here, and he estimated unemployment at no more than 25 percent after a sharp drop in jobless levels in the first quarter of this year. "Yesterday alone, the Gaza municipality launched 12 projects for paving roads, digging wells and making gardens," he said.

So is that the news from Gaza in mid-2011? Yes, but so is this: Thousands of homes that were destroyed in the Israeli antirocket invasion two and a half years ago have not been rebuilt. Hospitals

**From:** US GIO [us.gio@jpmorgan.com]
**Sent:** 1/11/2013 11:38:48 PM
**To:** Undisclosed recipients:;
**Subject:** JPM View 01/11/2013
**Attachments:** image1.gif; JPM_The J.P. Morgan View_2013-01-11_1025113.pdf

The Global Image cannot be displayed. This file may have been moved, renamed, or deleted. Verify that the link points to the correct file and location.

Global Asset Allocation

# The J.P. Morgan View: Go East.

Click **here** for the full Note and disclaimers.

- **Asset allocation** — The growth gap between East and West is widening, and has allowed us to join the Obama Pivot towards Asia. We stay long Japan and EM Asia in equities on stronger signs of an economic rebound in the East, while we again cut growth numbers for the US and Europe.
- **Economics** — Weaker activity data force us to lower Q4 for the US from 1.5% to 0.8% and the Euro area from -1.5% to -1.8%. But strong trade and industrial data in Asia, as well as more fiscal easing in Japan, have induced us to raise Japanese growth for the 3rd time in a row, and to signal upside risk on China.
- **Fixed Income** — Go long duration in the US as we see yields mean reverting and we are not quite high in the 6-month range.
- **Equities** — Strong retail buying is adding fuel to equity markets.
- **Credit** — Idiosyncrasies driving relative performance signals a welcome move-away from the one-factor-drives-all world of late.
- **Currencies** — Staying short JPY. Be also short USD but against AUD, RUB and KRW.
- **Commodities** — Our main trades are long industrial metals, US natural gas, and Brent time spreads vs. short agriculture.
- **Another good week for risk markets** with equities and credit rallying further, but this week without a selloff in bonds. Much of the rally in equities is likely the aftermath of the last minute escape from Fiscal Cliff 1 on December 31. But since then, we have also seen a sudden surge in equity fund inflows, which seem incongruous with lukewarm incoming data and thus may well come from investors who missed last year's stock market rally. In 2012, fund investors poured $680bn into bond mutual funds and ETFs, while taking some $23bn out of equity funds.
- Given the recent vintage of these equity fund inflows, they are unlikely to reverse quickly as there is not a lot of profit on them yet. **Near-term momentum thus remains good for stocks, in our view.** At the same time, the more bullish sentiment on stocks is now sending a contrarian signal. Last year, we based much of our long equity recommendation on our impression that most market participants saw more downside risk across the globe than we thought would become realized. This does not appear to be the case anymore, as the main remaining market concern is only about Fiscal Cliff 2. No more talk of Chinese hard landing or a Greek exit. Hence, the case for being long risk assets is more value based, rather than the reversal in risk perceptions which we think has largely happened by now. We would therefore describe our remaining longs in equities and credit as modest and medium term.
- 
- We could again be induced to move our equity overweight to an "aggressive" level, if there were to be reason to raise growth and earnings projections. All we have so far is improved forward looking indicators – largely PMIs and positive feedback from asset markets – that are signaling a pickup in growth this quarter. But so far, this is simply confirming our and consensus views on how the year is set to start. They are not allowing us yet to upgrade our global growth expectations (Chart on right).
- More ominously, the continued strong rallies in risk markets to new highs for the cycle are hiding the fact that recent hard data on Q4 activity have again forced us to lower our estimate of Q4 global GDP growth, now to 1.7%, largely due to the US and

weaponry and intelligence — Defense Minister Ehud Barak told CNN on Monday, "I should tell you honestly that this administration under President Obama is doing in regard to our security more than anything that I can remember in the past."

While Romney had time for a $50,000-a-plate breakfast with American Jewish donors in Jerusalem, with Adelson at his elbow, he did not have two hours to go to Ramallah, the seat of the Palestinian Authority, to meet with its president, Mahmoud Abbas, or to share publicly any ideas on how he would advance the peace process. He did have time, though, to point out to his Jewish hosts that Israelis are clearly more culturally entrepreneurial than Palestinians. Israel today *is* an amazing beehive of innovation — thanks, in part, to an influx of Russian brainpower, massive U.S. aid and smart policies. It's something Jews should be proud of. But had Romney gone to Ramallah he would have seen a Palestinian beehive of entrepreneurship, too, albeit small, but not bad for a people living under occupation. Palestinian business talent also built the Persian Gulf states. In short, Romney didn't know what he was talking about.

On peace, the Palestinians' diplomacy has been a fractured mess, and I still don't know if they can be a partner for a secure two-state deal with even the most liberal Israeli government. But I do know this: It is in Israel's overwhelming interest to test, test and have the U.S. keep testing creative ideas for a two-state solution. That is what a real U.S. friend would promise to do. Otherwise, Israel could be doomed to become a kind of apartheid South Africa.

And here is what I also know: The three U.S. statesmen who have done the most to make Israel more secure and accepted in the region all told blunt truths to every Israeli or Arab leader: Jimmy Carter, who helped forge a lasting peace between Israel and Egypt; Henry Kissinger, who built the post-1973 war disengagement agreements with Syria, Israel and Egypt; and James Baker, who engineered the Madrid peace conference. All of them knew that to make progress in this region you have to get in the face of both sides. They both need the excuse at times that "the Americans made me do it," because their own politics are too knotted to move on their own.

So how about all you U.S. politicians — Republicans and Democrats — stop feeding off this conflict for political gain. Stop using this conflict as a backdrop for campaign photo-ops and fund-raisers. Stop making things even worse by telling the most hard-line Israelis everything that they want to hear, just to grovel for Jewish votes and money, while blatantly ignoring the other side. There are real lives at stake out there. If you're not going to do something constructive, stay away. They can make enough trouble for themselves on their own.

Sent from my iPad

Article 1.

The Washington Post

# From a Saudi prince, tough talk on America's favoritism toward Israel

Richard Cohen

June 13 -- As best I can recall, I first met Saudi Arabia's Prince Turki al-Faisal at a private home in Washington years ago. I found him stern and humorless, sometimes even bitter. I have seen him since at international conferences and the like — never in the mood for small talk and exhibiting, sometimes in his glorious robes, not an ounce of Bedouin charm. Still, I was unprepared for the opinion column he published in Sunday's Post. It read like a declaration of war.

Prince Turki is not now in the government. Yet he is a member of the Saudi royal family and was once the kingdom's intelligence chief and its former ambassador to both London and Washington. The man is solidly credentialed.

He is also angry as hell, and he lets America have it. He starts by citing what he calls President Obama's "controversial speech last month, admonishing Arab governments to embrace democracy and provide freedom to their populations." Saudi Arabia, he wrote, heard what Obama said and took it "seriously," and he noted, of course, that Obama had not demanded the same rights for Palestinians under Israeli occupation. Point taken.

But the same kingdom that has taken Obama "seriously" is an absolute monarchy that, among other things, bans women from driving cars. It is also a country that offers no freedom of religion but offers, for the occasional criminal, a public beheading. Given that Turki has spent a good deal of time in the West, it's not possible that

Article 5.
NYT

# Iran Without Nukes

Roger Cohen

June 13, 2011 — Remember Iran?
I do. It's been two years since the Iranian people rose up to protest a stolen election with a bravery that stirred the world and presented Americans with a truer image of a young and highly educated nation than the old specter of the bearded Islamic zealot. The Green Movement was suppressed through barbaric violence but its example helped kindle the Arab Spring.
As Hamid Dabashi of Columbia University wrote in July, 2009: "Tehran, I believe, is ground zero of a civil rights movement that will leave no Muslim or Arab country, or even Israel, untouched." He added, "The moving pictures of Iranians flooding colorfully into the streets have forever altered the visual vocabulary of the global perception of 'the Middle East.'"
Seldom were there more prescient words.
They were quoted by Nader Hashemi of the University of Denver in a recent talk on Iran, in which he noted shared Iranian and Arab aims: "Democracy and dignity, the rule of law and respect for basic human rights, political transparency and an end to corruption."
That urge is still powerful in Iran beneath the opaque, directionless apparatus of the Islamic Republic. Iran is weak now, its ideology as tired as Osama Bin Laden's, as marginal to peoples questing to reconcile their Muslim faith and modernity in new ways.
I would probe this weakness through new approaches. But we are stuck still with the world's most paranoid relationship: the American-Iranian relationship. That's largely because there's another way to remember Iran — as the Godot of nuclear threats, the country always

afterthought, and that's what stuck in people's minds. That was a mistake, because it kind of undermined the notion of democracy promotion, simply because it was connected to a very unpopular intervention.

SHAFFER: Taking lessons from that, what can we do to promote democracy in the aftermath of the "Arab Spring"?

FUKUYAMA: We already are doing a lot. We've got organizations like the National Democratic Institute, or the International Republican Institute, that are all over Tunisia and Egypt and Libya, and other places, trying to help them organize political parties, trade unions, civil-society organizations, that hopefully will allow the more Western-oriented democrats in those Arab countries to actually contest in the elections. As we move toward votes in Tunisia and Egypt we want to have some alternative to the Muslim Brotherhood and the military. So we're giving them that kind of assistance right now. That's difficult, because they haven't had experience with democracy previously.

It's a long-term struggle, and I think we'll be disappointed in the short run. I don't think the more pro-Western forces are the ones that will end up on top in the short-run. But we've got to start somewhere.

SHAFFER: Is the spread of liberal democracy dependent upon persisting American hegemony?

FUKUYAMA: It's been helpful. The U.S. obviously plays a big role in maintaining a liberal, open world order, through its alliances and the influence it projects. And American ideas have been very dominant in the world especially in the last two decades. A lot of that is shifting now because of the rise of other powers and other ideas.

Article 5.

Foreign Policy

# Barack Obama's Foreign Policy

November 16, 2011

**Foreign-policy credentials:** As president, Obama has taken on a number of major foreign-policy initiatives, including a renewed troop surge in Afghanistan, the negotiation of the New START nuclear arms reduction treaty with Russia, the NATO intervention in Libya, the withdrawal from Iraq, ongoing trade negotiations with China, and of course, the killing of al Qaeda leader Osama bin Laden.

**Overview:** Obama is a much different candidate today from the senator who distinguished himself by his opposition to the "dumb war" on his way to the presidency in 2008. Obama has turned out, in many ways, to have pursued a fairly conventional, at times, hawkish foreign policy. He has had some notable successes, such as the bin Laden raid and this year's withdrawal from Iraq -- albeit on a timetable negotiated by his predecessor -- and the successful overthrow of Muammar al-Qaddafi. All the same, "apology tours" and "leading from behind" -- referring to an unfortunate description of Obama's diplomatic strategy by a White House staffer -- have already become buzzwords for Republican candidates. He has also faced heavy criticism on the left for a sometimes inconsistent approach to international law in counterterrorism operations.

But with a significant economic recovery appearing unlikely and fewer domestic achievements to point to than he might have expected, coupled with the international inexperience of his opponents, Obama may make his foreign-policy wins the centerpiece of his reelection strategy.

Sent from my iPhone

Begin forwarded message:

**From:** "Jacoby, Craig" <[redacted]
**Date:** September 5, 2012 7:27:21 PM EDT
**To:** "Darren Indyke" <[redacted]
**Cc:** "Hosain Rahman" <[redacted], "Ian Osborne" <[redacted], "Jacoby, Craig" <[redacted]
**Subject: Jawbone/Mort**

Hi Darren,

Just checking back in on the Jawbone investment. Thanks for sending across your comments. If possible, we would like to avoid a situation where we recirculate the investment agreements in place with Jawbone's other investors, and our hope is that we can accommodate as many of your comments as possible short of taking that step.

We think that the best way to address your comments would be to have Jawbone enter into a new purchase agreement covering both the preferred and the common stock being sold to Mort. Jawbone would make its representations and warranties anew upon the closing of the purchase agreement, so Mort would not be relying on the reps made back in June 2011, nor on the schedule of exceptions prepared in connection with the initial closing. The new purchase agreement would have the same closing conditions that applied to the initial closing of the JP Morgan investment.

Given the affiliation between Mort, Hedosophia and Apoletto and their collective investment in preferred and common stock, we also want to propose that Mort (along with the other two parties) be treated as a "Major Investor" under the Investor Rights Agreement so long as their collective holdings of preferred and common stock remains at least equal to 2,000,000 shares. We intend to do this with a side letter that would not require the signature of the other parties to those documents. You have already seen the draft amendment that would expand the definition of "Registrable Securities" in the investor rights agreement to include the common stock being purchased by Mort, and we do anticipate that our principal investors will quickly sign that document once we circulate it.

You had indicated a desire to have JP Morgan approve the sale of Series 5 Preferred outside of the existing purchase agreement. As I indicated to you on the phone, we do not think that this is necessary, but we are willing to obtain from them an acknowledgement to that effect prior to the closing of Mort's investment.

We do believe, however, that various of your other requests for change in the investor documents would require a broader amendment and restatement of the applicable documents, and some of them concern business points that were the subject of specific negotiation with JP Morgan and others of our investors in prior rounds. These points include your comments to the drag along rights, the registration rights, the information rights and the venue provisions. We would like those terms to remain as we had negotiated them with JP Morgan.

If you are comfortable with the approach outlined in this email, we can get you draft documents, including a draft updated Schedule of Exceptions, tomorrow for your review and approval. Please let me know.

**Ensemble adoptons des gestes responsables : N'imprimez ce mail que si nécessaire.**

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The newspapers and Browardbeat.com make clear that the Federal investigations that led to the arrests of County Commissioner Josephus Eggleston, former Miramar Commissioner Fitzroy Salesman and School Board member Bev Gallagher are just beginning.

The FBI will be interviewing everyone from County Administrator Bertha Henry to bus drivers about anything and everything.

They are looking for scalps.

I suspect that if the average person thought about it, he would assume that when the FBI comes calling, like Joe Friday from DRAGNET, they ""want the facts and nothing but the facts."" Equally important they want an accurate record of that interview so they bring a court reporter or at the very least a tape recorder.

The average person would be wrong.

Agents bring a pencil and pad to take notes. They then prepare a summary of the interview called a ""302 Report.""

If you are called as a witness at trial, prior to testifying, you will be given a copy of ""Your 302"" to review. It is a record of what the FBI insists you said at your previous meeting.

If your interview lasted more than thirty seconds, it is guaranteed you will find numerous discrepancies. Some of them will be insignificant; some of them could be material.

Ask two people to listen to you in a discussion about a traffic accident and then write a summary. It is a guaranteed they will have differences with each other as well as with you, the witness.

You said, ""I am reasonably sure that the traffic light was green"".

One report takes out the equivocation and quotes you as saying: ""The light was green.""

This brings us to Federal law 18 USC 1001. That statute makes it a felony to lie to the government. And guess who decides whether or not you were lying? The government.

So here is your conundrum. Do you testify about your doubts about the light, which is the truth, or do you adopt the ""302"" version to avoid the wrath of the FBI?

Whether or not the ""302"" discrepancies are a result of stupidity or cupidity makes no difference. Testify in opposition to the ""302"" and you are in the crosshairs of the Feds.

If they believe your testimony cost them the case, the next thing you likely to hear from the FBI will be: ""Please place your hands behind your back.""

A number of years ago, fed up with the 302 Two Step, I turned the tables on them.

Article 2.

The Daily Star

# A democratic Arab world would welcome peace with Israel

Hamid Alkifaey

One could reasonably argue that the golden opportunity for peace in the Middle East was blown away when Israeli Prime Minister Yitzhak Rabin was assassinated on Nov. 4, 1995.

He was the only Israeli leader capable of making peace with the Palestinians, and was about to do so had it not been for the bullets of Yigal Amir, the right-wing religious zealot who believed in the "winner takes all" principle.

One could also claim that the Israeli-Palestinian conflict and its global ramifications are responsible for agitating religious extremism in the Muslim world as a whole, and among Palestinians in particular. Prior to 1987, there was hardly any Islamic factor in Palestinian resistance. The Hamas and Islamic Jihad groups were established after the 1987 intifada. From this we deduce that extremism on the Israeli side led to the same on the Palestinian side, and consequently in other Muslim countries, which manifests in popular opposition to traditional and despotic regimes.

The Arab world is currently going through a social and political revolution that has so far claimed two "entrenched" regimes in Tunisia and Egypt. At least three other regimes in the region are fighting for their lives, and are not expected to survive. There will soon be different styles of government in Libya, Yemen and Syria. This much is certain.

Will there be a different policy toward Israel? Certainly. But this will take time to take shape, since there are more pressing national

Article 3.

The Daily Beast

# The Awkward Exit of Mideast Envoy George Mitchell

Daniel Stone

May 13, 2011 -- Two days after Barack Obama's inauguration, George Mitchell was named special envoy for Middle East peace. With the new president standing beside Mitchell and Secretary of State Hillary Clinton, Vice President Joe Biden took the podium and extolled Mitchell's reputation and experience having brokered peace in Northern Ireland, calling him an "outstanding public servant" with "incredible capacity." In the press, Mitchell was praised as the right man for the job at the right time.

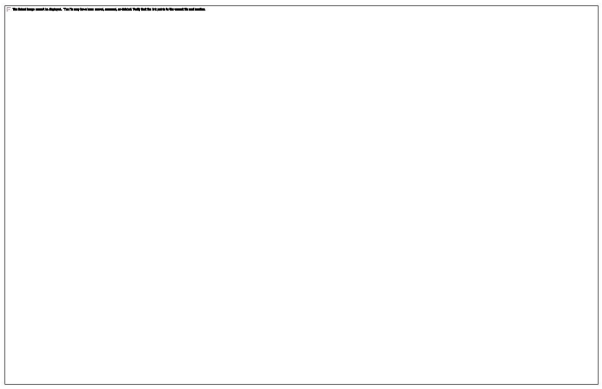
On Friday, though, that capacity had reached its limit, and Mitchell told his bosses in the West Wing that he'd had enough. His reasons, he said, were personal—the kind of nebulous rationale that leaves ample room for interpretation. Unmentioned were the months of frustration that Mitchell had built up as direct negotiations between Israelis and Palestinians became more difficult and the peace process further off.

The timing of Mitchell's departure couldn't be more awkward. Obama will meet with Israeli Prime Minister Benjamin Netanyahu and Jordan's King Abdullah next week, as well as deliver a major speech on Middle East policy. But the resignation didn't come as a surprise to those who worked closest with Mitchell. A State Department official described to Newsweek a man increasingly annoyed by both parties' constant moving of the goal posts and the constraints of the administration's unshakeable political instinct to support Israel.

**From:** US GIO [us.gio@jpmorgan.com]
**Sent:** 7/25/2011 4:33:45 PM
**To:** Undisclosed recipients:;
**Subject:** Eye on the Market, July 25, 2011
**Attachments:** image002.png; image004.png; image006.png; image008.png; image021.png; image022.png; image023.png; image024.png; 07-25-11 - EOTM - White Castle.pdf

**Eye on the Market, July 25, 2011 (the attached PDF document is much easier to read)**
**Topics: US debt ceiling negotiations, a more ambitious European bailout plan (finally), and how large cap growth stocks and rising corporate profits are patiently waiting for both of them to end**

***White Castle***. Twenty five years ago, I had a friend with a peculiar way of responding to seeing things he didn't like on TV: he would throw White Castle hamburgers at the screen. I always thought this was a bad way to waste a good hamburger, but I had one of those moments the other night when watching news reports on debt ceiling discussions. Media outlets have referred to President Reagan's scolding of Congressional Republicans for delaying debt ceiling increases, and the 18 increases that took place during his Presidency. The implication: reservations about raising the debt ceiling are as irresponsible now as they were then. **This is a disingenuous argument; in the 1980's, the debt ceiling being debated was 50% of GDP, and had no bearing on the solvency of the United States**. Today, the proposed increase raises the debt limit twice as high, measured relative to GDP or government revenues. While a default is a *very* bad idea (deserving of a White Castle hurling of its own), unconstrained debt growth with no plan to slow it is bad as well. Some suggest we not worry about debt growth, since demand from foreign central banks and the Federal Reserve would keep yields in check. That logic is irresponsible at best. Debt limit legislation is a rocky but healthy way for a democracy to decide whether mega-deficits are in the long-term public interest.



**Over the last few days, the Gang of Six plan, the Reid-McConnell plan and the Obama-Boehner plan have all been raised up the flagpole and then lowered.** By the end of the process, we're still looking for deficit reduction of $3 trillion+ over 10 years (relative to the CBO Alternative case in which there is no deficit reduction at all). However, Congress is running short on time, and may have to do a smaller debt ceiling increase/deficit reduction first. For now, we wait to see the balance of spending cuts and revenue increases will be agreed to. Last week's *Profiles in Courage* piece walked through the history and dynamics of this process, so we won't repeat that here. **Here's our take on what has been proposed so far**, with the caveat that many plans are not crystal clear what baseline they are using, or what steps they recommend to get to that baseline first. For example: the Gang of Six state that they used the President's budget as a baseline (scored by CBO in March 2011), reduced deficits by $3.7 trillion, and ended up with a 71% debt/GDP ratio; but they do not explain how they get to the President's baseline in the first place.

Josh Haner/The New York Times

Thomas L. Friedman

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The observation is this: Much of what is wrong with the U.S.-Israel relationship today can be found in that Romney trip. In recent years, the Republican Party has decided to make Israel a wedge issue. In order to garner more Jewish (and evangelical) votes and money, the G.O.P. decided to "out-pro-Israel" the Democrats by being even more unquestioning of Israel. This arms race has pulled the Democratic Party to the right on the Middle East and has basically forced the Obama team to shut down the peace process and drop any demands that Israel freeze settlements. This, in turn, has created a culture in Washington where State Department officials, not to mention politicians, are reluctant to even state publicly what is U.S. policy — that settlements are "an obstacle to peace" — for fear of being denounced as anti-Israel.

Add on top of that, the increasing role of money in U.S. politics and the importance of single donors who can write megachecks to "super PACs" — and the fact that the main Israel lobby, Aipac, has made itself the feared arbiter of which lawmakers are "pro" and which are "anti-Israel" and, therefore, who should get donations and who should not — and you have a situation in which there are almost no brakes, no red lights, around Israel coming from America anymore. No wonder settlers now boast on op-ed pages that the game is over, they've won, the West Bank will remain with Israel forever — and they don't care what absorbing all of its Palestinians will mean for Israel's future as a Jewish democracy.

It is into this environment that Romney wandered to add more pandering and to declare how he will be so much nicer to Israel than big, bad Obama. This is a canard. On what matters to Israel's survival — advanced

Article 4.

The Christian Science Monitor

# Libya endgame: Lessons for Syria's protesters

Bilal Y. Saab

August 23, 2011 -- As the Libyan opposition's fight appears to be nearing a triumphant close, with rebels having taken over Muammar Qaddafi's compound in Tripoli, the showdown between largely peaceful protesters and regime forces in Syria rages on and shows no signs of abating. But Mr. Qaddafi's ouster could help turn the tide for the Syrian opposition – especially if it takes the lessons from Libya to heart.

One would assume that the escalating pressure on Qaddafi's regime would have been enough to shake Syrian President Bashar al-Assad and push him to stop the bloodbath against his own people. Forget about it. With his speech on Sunday (when all signs pointed to Qaddafi's imminent downfall) in which he rebuffed Western calls to resign, Mr. Assad is now more defiant than ever. His message is unambiguous: Extensive international pressure notwithstanding, he is not going down without a fight.

RELATED: Spots to watch in the battle for Tripoli

The popular uprisings in Libya and Syria (and elsewhere in the Middle East) have similar root causes – decades-old authoritarian politics, harsh political repression, denial of freedoms, and bad economics – but they have taken different paths, which may lead them to very different ends.

Commentators and analysts have been quick to state that Assad's days are numbered. That may be true. Facing international isolation of unprecedented scale and a growing protest movement at home that

Okay, thanks for this statement . . . I'll print it in full along with the article, probably today. I very, very strongly disagree with your position and hope you eventually reconsider, but I do appreciate you taking the time to respond.

-R

On Wed, Apr 6, 2011 at 1:15 PM, Lawrence Krauss [redacted] wrote:

jeffrey apparently paid for massages with sex... I believe him when he told me he had no idea the girls were underage, and I doubt that people normally are asked for or present a driver's license under such circumstances... Moreover, I also believe that Jeffrey is an easy target for those who want to take advantage of him... Moreover, I can say with great honesty that Jeffrey's time in prison led him to seriously examine his life in very positive ways and I don't believe in blanket condemnations of people. He served time for something that was determined was inappropriate. I honestly don't know who was the victim in this case. I fully expect that these masseuses knew what they were doing, and were not swayed to do anything with Jeffrey that they were not already doing. That is not to approve of the whole behavior, but lots of peopleI know and like have behavior I don't entirely approve of.. I know it is not politically correct to say that, because in general this is a very sensitive issue and all other things being equal one should take the side of the young women. But all things are not equal in this case, from my point of view. It is a judgement call, and I will not turn my back on a good friend so easily.

On Apr 6, 2011, at 9:57 AM, Rebecca Watson wrote:

Thanks for getting back to me. I was asking because I found the quote shocking . . . the evidence against Epstein is overwhelming and he's even pled guilty to paying for sex with a minor. It's in no way scientific or rational to assume that because you never saw him with an underage girl he must actually be innocent. It is possible for a person to be kind and generous with his friends but still a criminal paying for sex with underage girls in his private life.

I'm going to write about the topic on Skepchick, and I'll include any additional statement you'd like if you want to provide more context or if you've changed your mind.

-R

On Wed, Apr 6, 2011 at 12:50 PM, Lawrence Krauss [redacted] wrote:

yes it is.. Based on my direct experience with Jeffrey, which is all I can base my assessment on, he is a thoughtful, kind, considerate man who is generous to his friends, and all of the women I have known who have been associated with Jeffrey speak glowingly in the same words..

why are you asking?

On Apr 6, 2011, at 9:41 AM, Rebecca Watson wrote:

Dear Professor Krauss,

We met briefly after your talk in Ithaca a few months ago – I'm the girl on The Skeptics' Guide to the Universe podcast. I've really enjoyed your talks and books, but I was surprised to see you quoted in the Daily Beast recently defending Jeffrey Epstein:

Article 1.
NYT

# U.S. Hones Warnings to Egypt as Military Stalls Transition

David D. Kirkpatrick and Steven Lee Myers

November 16, 2011 -- CAIRO — Brazen attempts by Egypt's interim military rulers to hold on to power long after elections have elicited a sharp reaction domestically and for the first time have prompted Washington to warn about the potential for new unrest.

After months of mixing gentle pressure with broad support for the ruling military council, the Obama administration has sharpened its tone, senior administration officials say, expressing concern that the failure to move to civilian control could undermine the defining revolt of the Arab Spring.

The shift in tone is part of a difficult balancing act for Washington, which is keen to preserve its ties to the military and its interests in the region, chiefly Egypt's role in maintaining peace with Israel. But Washington also hopes to win favor with Egypt's newly empowered political opposition while avoiding the appearance of endorsing the military's stalled transition to democracy. All things considered, some here have suggested, the change in tone may be intended to placate Egyptian public opinion rather than actually press the military to give up power.

"I think they are working for their own interests, particularly regarding the slow transition of power," said Shady el-Ghazaly Harb, a prominent liberal activist who was among the leaders of the Egyptian revolution. "The U.S. wants to guarantee that the coming government will be on good terms — I won't say loyal, but friendly —

Article 3.

The Financial Times

# Why Syria will get away with it

Gideon Rachman

June 13 2011 -- late last week, Robert Gates, the US defence secretary, launched an offensive of his own. In a speech in Brussels, he dismissed most of America's European allies as a useless bunch of timewasters. I paraphrase – but not much.

Mr Gates pointed out that while all Nato countries had voted to intervene in Libya, most had chosen not to participate in the actual fighting. Even those European countries that are taking part began to run short of munitions just 11 weeks into the fighting – forcing an exasperated America to step into the breach. More broadly, a situation in which the US accounts for 75 per cent of the military spending in Nato was "unacceptable" and unsustainable. If it is not rectified, Mr Gates predicted, Nato faces a "dismal" future.

The conjunction of the Gates speech and the Syrian civil war is very telling. It explains why a 20-year experiment with the idea that western military force can put the world to rights is coming to a close.

Just a few weeks ago, that would have seemed a surprising conclusion. Supporters of "liberal interventionism" hailed the decision to bomb Colonel Gaddafi's forces in Libya as evidence of a longed-for new era, in which dictators can no longer feel free to massacre their own people.

However a western failure to intervene, as the Syrian army brutalises and kills its own citizens, is likely to be a more accurate guide to the future than the Libyan campaign. There is, of course, a direct link between the west's reluctance to get involved in Syria and the

Medvedev, but relations with Russia may only get tougher, with Vladimir Putin's likely return to the Russian presidency.

**Arab Spring:** After a slow start, the Obama administration eventually came around to calling for Egyptian President Hosni Mubarak to step down, joining the NATO intervention in Libya, and supporting stricter sanctions against Syria. The president has been less outspoken about other Persian Gulf allies, including Bahrain, which hosts a key U.S. naval base. Obama has urged Egypt and Tunisia to "set a strong example through free and fair elections, a vibrant civil society, accountable and effective democratic institutions, and responsible regional leadership."

**Other issues:** Although he once described himself as a George H.W. Bush-school realist, in the past year Obama has learned to embrace humanitarian intervention, both in Libya and in central Africa, where military advisors have been sent to aid in the fight against the long-running insurgency by the Lord's Resistance Army. There's speculation that Nigeria may be next. It's a measure of how much things have changed in the last four years that Republicans are now attacking the Democratic president for trying to spread democracy and human rights at the barrel of a gun.

As the European economic crisis has worsened, Obama has been speaking out more in support of strong measures to protect the common currency. "Ultimately what they are going to need is a firewall that sends a clear signal we stand behind the European project and we stand behind the euro," he said during his recent trip to Australia.

**Front Page**

Choice for E.P.A. a Frequent Ally of the Regulated

For Cubans, an Expulsion Long Delayed

Finding His Voice on Race

After 'Downton,' Affluent Chinese Seek Butlers

For Early 'Jersey Boys' Investors, Oh, What a Run

Women Who Voted for Donald Trump, in Their Own Words

**International**

"What they would like to say to their friends is, 'Look, I have a butler, an English-style butler in my home,' to show how wealthy they are," said Neal Yeh, a Chinese-born Briton living in Beijing, who for over a decade has helped train and find jobs for butlers.

"The country now with the biggest trend in butlers is China," said Mr. Yeh, whose English accent would be at home on "Downton Abbey," the television series about a blue blood family in England, which was avidly watched in China. "I dare say I have played a part in starting this trend."

Butler training schools and agencies have been doing business in China for more than a decade, but the number of recruits has grown sharply in recent years, according to those in the business. Most are Chinese and many are women. The International Butler Academy China opened in 2014 here in Chengdu, a haze-covered city in southwest China, and offers a six-week boot camp on dinner service, managing homes and other minutiae of high living.

"The Chinese are vacationing more now than ever in history, and so they're being exposed to the West more and more," said Christopher Noble, an American trainer at the academy who previously ran bars in Cleveland. "But Chinese people see that, experience top-class personal service abroad, and they want to experience it here."

A student uses a ruler to set the cutlery on the table for a formal dinner. Gilles Sabrié for The New York Times

A boom in butler service might seem incongruous as President Xi Jinping

**From**: Pritzker, Tom [redacted]
**Sent**: 12/15/2016 4:07:24 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: RE: Re:

**Importance**: High

Will call Japan tonite. A tent? Hmmm... I think that is code for 'I love you'. Or, maybe code for 'go pound sand'. Better check your KSA urban dictionary.

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Thursday, December 15, 2016 9:59 AM
**To:** Pritzker, Tom [redacted]
**Subject:** Re:

yes, any word on karyyna plans. . can you belive MBS sent me a TENT carpets and all.

On Thu, Dec 15, 2016 at 10:54 AM, Pritzker, Tom [redacted] wrote:

I'm stuck in the cold! Five degrees. Aspen next week to warm up. Tilerson is a good move for Trump. Have gotten to know him at CSIS, he's the real deal.

tjp

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Thursday, December 15, 2016 8:53 AM
**To:** Pritzker, Tom [redacted]
**Subject:**

??

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Date: Thu, Feb 2, 2017 at 6:45 PM
Subject:
To: Jeffrey Epstein <jeevacation@gmail.com>

Dear Jeffrey

Two questions.

1—do you believe the stock market will continue to climb given what we have now seen of Trump-land? [Strictly confidential]

2—what do you think of the attached (N=1)? You do not drink or smoke, probably do not inject etc. you swim or exercise every day, so your heartbeat is expected to be low and less variable than average. Is your ability to predict heart rate accurately—without holding your neck or wrist—positively related to your ability to succeed in the financial world—as the attached strongly suggests. Just give me and N=1.

Remember you asked me, what does self-knowledge have to do with anything—and here is a most intriguing example.

I will send you a joke shortly

All best

bob

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<Interocept stock trading.pdf>

**From:** Michael Wolff [redacted]
**Sent:** 2/15/2017 1:31:07 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: A few favors...

**Importance:** High

Dear Jeffrey, You mentioned you were friends with Tom Barrack and I wondered if you might introduce me to him. As discussed, I'm doing a book on the first 100 days of the Trump White House--POTUS and key staff know all about it and are cooperating--and would love to chat with Tom on or off the record. Thanks in advance and look forward to seeing you soon. All best, Michael

---
Michael Wolff
Columnist, USA Today, The Hollywood Reporter, Vanity Fair,
British GQ
917-825-9659

On Wed, Feb 15, 2017 at 8:25 AM, jeffrey E. <jeevacation@gmail.com> wrote:

can you send me an email to forward to tom. hes in the middle o some of the mess at the moment. everyone lawyering up in wash. .

On Wed, Feb 15, 2017 at 8:16 AM, Michael Wolff [redacted] wrote:

So...I'm doing this Trump book for a pile of money and with so far quite a bit of cooperation from them (DT called me the other day and spent 45 minutes on the phone ranting and raving about the media--alarming). I wonder if you could introduce me to Tom Barrack--just to say I'm a journalist who you know and trust, and that I'll follow up with a description of the project that I'm doing. Also, I'd love a reintroduction to Kathy Ruemmler. I need some off-the-record perspective on White House procedures.

Are you in NYC soon?

--

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**From:** Michael Wolff [redacted]
**Sent:** 2/15/2017 1:53:41 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: A few favors...

**Importance:** High

Thanks. Any time to get together today?

On Wed, Feb 15, 2017 at 8:52 AM, jeffrey E. <jeevacation@gmail.com> wrote:
kathy agreed

On Wed, Feb 15, 2017 at 8:31 AM, Michael Wolff [redacted] wrote:
When in NYC?

On Wed, Feb 15, 2017 at 8:25 AM, jeffrey E. <jeevacation@gmail.com> wrote:
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Are you in NYC soon?

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**From**: Kathy Ruemmler [redacted]
**Sent**: 1/31/2017 2:49:24 AM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

I am at dinner with a NYT reporter and have been talking to half of the press universe. Trump just declared war on DOJ. Bad, bad move.

On Jan 30, 2017, at 9:46 PM, jeffrey E. <jeevacation@gmail.com> wrote:

trump fired yates

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**From:** Robert Kuhn[redacted]
**Sent:** 2/3/2017 6:02:37 AM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Kuhn

**Importance:** High

When to meet? Weekend OK.

On Jan 22, 2017, at 4:32 PM, jeffrey E. <jeevacation@gmail.com> wrote:

look forward to it

On Sun, Jan 22, 2017 at 2:33 PM, Robert Kuhn [redacted] wrote:

Just got to New York - love to meet, brainstorm.

From Washington, my inauguration-day commentary and conversation with Chinese experts on Sino-US relations under Trump - https://youtu.be/OGdu1pmeVNM?list=PLt-M8o1W_GdSZbSuplmsSS5JZzlhIWpGb

Earlier interview on BBC "What Chinese think of Trump" - two minute excerpt
- http://www.bbc.co.uk/programmes/p04m9jj4

Looking forward, Robert

On Jan 11, 2017, at 2:51 AM, Robert L. Kuhn [redacted] wrote:

Dear Jeffrey:

Attached, as promised, is our proposal for Closer To Truth to produce the definitive television series on "The Science of Sleep and Dreams" - 13 episodes, a full season, on ~200 PBS stations, plus extensive web videos. Contemporary advances in sleep/dream research makes timing propitious.

Three documents:

1) Proposal (12 pages)

2) Budget (line item)

3) Schedule (weekly)

Please confirm receipt.

I'll be in New York from January 19 until about February 8. Love to meet - on Sleep/Dreams and all sorts of fun stuff to cheer our 2017.

Robert

<Closer To Truth - The Science of Sleep & Dreams – CTT TV Episodes & Web Videos - Jeffrey Epstein VI Foundation - 1.10.17.docx><Closer To Truth - The Science of Sleep & Dreams - Series Budget - 1.10.17.xls><Closer To Truth - Sleep and Dreams - Series Schedule-Timeline - 1.9.17.xlsx>

**From:** Deepak Chopra[redacted]
**Sent:** 2/3/2017 10:00:49 AM
**To:** jeffrey E. [jeevacation@gmail.com]
**CC:** Barnaby Marsh [redacted]
**Subject:** Re: Fwd:
**Attachments:** image001.png

**Importance:** High

He is wrong about heart rate variability
Increased heat rate variability is a sign of Well Being even self awareness not decreased variability . It's a sign of adaptability and flexibility .
Rigidity stubbornness and inability to change are associated with decreased heat rate variability and sympathetic overdrive
Trump would be an example of that
Love ♥

**Deepak Chopra MD**
**2013 Costa Del Mar Road**
**Carlsbad, CA 92009**
**Chopra Foundation**
**Jiyo**
**Chopra Center for Wellbeing**

On Feb 2, 2017, at 8:24 PM, jeffrey E. <jeevacation@gmail.com> wrote:

---------- Forwarded message ----------
From: **Robert Trivers**[redacted]

I'll be in New York from January 19 until about February 8. Love to meet - on Sleep/Dreams and all sorts of fun stuff to cheer our 2017.

Robert

<Closer To Truth - The Science of Sleep & Dreams – CTT TV Episodes & Web Videos - Jeffrey Epstein VI Foundation - 1.10.17.docx><Closer To Truth - The Science of Sleep & Dreams - Series Budget - 1.10.17.xls><Closer To Truth - Sleep and Dreams - Series Schedule-Timeline - 1.9.17.xlsx>

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**From**: Larry Visoski[redacted]
**Sent**: 2/5/2017 12:32:54 AM
**To**: jeffrey E. [jeevacation@gmail.com]
**CC**: Darren Indyke [[redacted]]
**Subject**: Re: new schedule

**Importance**: High

Monday 4pm confirmed
Pres Trump departs Monday at 11am,. TFR in place until 11:30am Monday, which requires 24 hour notice for Departure screening if departing during TFR hours.,
TFR (Temporally Flight Restriction),

Our departure time of 4:30 PM will not be impacted since TFR expires 11:30am Monday,.
FYI,
Friday, Josh left voicemail indicating chevron should present purchase agreement by midday Monday. for your review.,

Thx
Larry

Sent from my iPhone

On Feb 4, 2017, at 2:58 PM, jeffrey E. <jeevacation@gmail.com> wrote:

monday 4 pm to lsj, thurs morning pre clear to palm beach. sunday 12 new york . tues paris to 21 new york. 24 santa fe. -march 1

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**From**: paul krassner[redacted]
**Sent**: 2/8/2017 12:34:24 AM
**To**: jeffrey E. [jeevacation@gmail.com]
**CC**: Nancy Cain [redacted]
**Subject**: P.S.

**Importance**: High

I neglected to mention the importance of ACLU attorneys who have been receiving donations of many millions to aid their actions such as impeaching Trump based on breaking his oath of the affirmation of the constitution...

**From**: Lang, Caroline [redacted]
**Sent**: 2/10/2017 6:37:32 PM
**To**: Etienne Binant [redacted]
**CC**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: update

**Importance**: High

😄😄😄😄😄😄😄

Caroline Lang

Le 10 févr. 2017 à 18:40, Etienne Binant [redacted] a écrit :

👍👍👍

---

**De :** jeffrey E. <jeevacation@gmail.com>
**Envoyé :** vendredi 10 février 2017 18:40:10
**À :** Etienne Binant; Lang, Caroline
**Objet :** Re: update

yes, lets start. . yes we are on. sorry with trump around its been very crazy busy

On Fri, Feb 10, 2017 at 7:59 AM, Etienne Binant [redacted] wrote:

> Hi Jeffrey
>
> Happy to talk to you almost anytime today until around 3PM. Just tell me what number I should reach.
>
> Not sure what got lost in translation here: **never** had the intention to go to any art fair or art show or anything of the kind.
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> This is why it's important for me to go to LA or Berlin (or elsewhere) because those artists are not rich yet, they dont travel so much. They belong to a scene, and it does make a big difference to them if you connect in person.

The spirit is to have an impact on young, talented folks, and absolutely to stay at the source.

Once again, not sure was drifted away from this in communication

E

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**De :** jeffrey E. <jeevacation@gmail.com>
**Envoyé :** vendredi 10 février 2017 12:32
**À :** Etienne Binant
**Cc :** Darren Indyke
**Objet :** Re: update

going to artists studio s much more appropriate , i think

On Thu, Feb 9, 2017 at 9:49 PM, Etienne Binant[redacted] wrote:

> Gentlemen
>
> I hope you are having a great week.
>
> In LA hoping to begin acquiring pieces: are we on?
>
> If not yet, when please
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> thanks
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> e

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**From:** Kathy Ruemmler [redacted]
**Sent:** 2/15/2017 1:28:39 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

Yes, of course.

Sent from my iPad

On Feb 15, 2017, at 5:24 PM, jeffrey E. <jeevacation@gmail.com> wrote:

btw. michael wolff is doing a trump book. spent 45 minutes on the phone with him over the weekend he asked if he could ask you some off the record questions re policy procedures , noramlly followed etc.

On Wed, Feb 15, 2017 at 8:12 AM, Kathy Ruemmler [redacted] wrote:

He was great.

Sent from my iPad

On Feb 15, 2017, at 4:55 PM, jeffrey E. <jeevacation@gmail.com> wrote:

did you enjoy sultan?

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**From**: Weingarten, Reid [redacted]
**Sent**: 1/12/2017 3:19:45 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: RE: Re:

**Importance**: High

Craziest shit happening...trying to deliver el chapo to barack instead of trump....figuring out my schedule next week...will let you know

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Thursday, January 12, 2017 10:17 AM
**To:** Weingarten, Reid
**Subject:** Re:

thursday new york? my brithday fri

On Thu, Jan 12, 2017 at 9:45 AM, Weingarten, Reid [redacted] wrote:

Going to florida...then end of the week nyc

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Wednesday, January 11, 2017 11:52 PM
**To:** Weingarten, Reid
**Subject:**

if not florida do you have any plans to be in new york next week.

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**From:** Alireza Ittihadieh [redacted]
**Sent:** 1/15/2017 2:27:43 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

Why?

V-BR
Alireza ITTIHADIEH

---

**From:** jeffrey E.
**Sent:** Sunday, 15 January 2017 06:22
**To:** Alireza Ittihadieh
**Subject:** Re:

i stepped away from the royal jet. if you want to go after the bbj

On Sun, Jan 15, 2017 at 10:20 AM, Alireza Ittihadieh [redacted] wrote:

I just got my G550 - 5176 under contract at $18.5 and it's going to Pre-Purchase inspection on Monday.

I'm aware that G550 - 5109 was under contract for $17,600,000.

As a company we have 5 G550, 2 G650 and 1 BBJ buyers.

That is all I know for now.

V-BR
Alireza ITTIHADIEH

---

**From:** jeffrey E.
**Sent:** Sunday, 15 January 2017 05:51
**To:** Alireza Ittihadieh
**Subject:** Re:

what about real trades? what number?

On Sun, Jan 15, 2017 at 9:49 AM, Alireza Ittihadieh [redacted] wrote:

People are just back and the activity really started this week. A lot of enquiries out of China and a lot of buyers in the US have resurfaced

V-BR
Alireza ITTIHADIEH

On 15 Jan 2017, at 04:17, jeffrey E. <jeevacation@gmail.com> wrote:

what is trading , now that trump has won. ?

--
please note

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**From:** Robert Kuhn [redacted]
**Sent:** 2/3/2017 3:37:10 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Kuhn

**Importance:** High

Thanks; looking forward.

On Feb 3, 2017, at 6:11 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im in on the 9 th and 10th

On Fri, Feb 3, 2017 at 1:02 AM, Robert Kuhn [redacted] wrote:

When to meet? Weekend OK.

On Jan 22, 2017, at 4:32 PM, jeffrey E. <jeevacation@gmail.com> wrote:

look forward to it

On Sun, Jan 22, 2017 at 2:33 PM, Robert Kuhn [redacted] wrote:

Just got to New York - love to meet, brainstorm.

From Washington, my inauguration-day commentary and conversation with Chinese experts on Sino-US relations under Trump - https://youtu.be/OGdu1pmeVNM?list=PLt-M8o1W_GdSZbSuplmsSS5JZzlhIWpGb

Earlier interview on BBC "What Chinese think of Trump" - two minute excerpt
- http://www.bbc.co.uk/programmes/p04m9jj4

Looking forward, Robert

On Jan 11, 2017, at 2:51 AM, Robert L. Kuhn [redacted] wrote:

Dear Jeffrey:

Attached, as promised, is our proposal for Closer To Truth to produce the definitive television series on "The Science of Sleep and Dreams" - 13 episodes, a full season, on ~200 PBS stations, plus extensive web videos. Contemporary advances in sleep/dream research makes timing propitious.

Three documents:

1) Proposal (12 pages)

2) Budget (line item)

3) Schedule (weekly)

Please confirm receipt.

**From:** Lesley Groff [redacted]
**Sent:** 2/3/2017 11:47:50 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Phillipe at Fekkai...

**Importance:** High

Patrick had John (who I assume is a manage for NY) call me. I gave him your Cc# so he could call PB and try to get the appt with Jerome ...but unfortunately he was unsuccessful as well. They are "in season" and are super busy. Once again, I am told if they get a cancellation we are the first call. I am also told since Trump is there and traffic is bad so people may cancel as they don't want to go out in the mess.

-

Sent from my iPhone

On Feb 3, 2017, at 5:48 PM, jeffrey E. <jeevacation@gmail.com> wrote:

call patrick in new york if nec se if he knows jerome

On Fri, Feb 3, 2017 at 4:43 PM, Lesley Groff [redacted] wrote:

> I am still waiting to hear back from Phillipe re can he help with an appt for Lasma with Jerome tomorrow! I have texted and called (his vm is full can't leave a message) and when I call the salon I am told he is with a client…
>
> I am on top of it…will keep trying for Phillipe...

--

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**From**: Etienne Binant [redacted]
**Sent**: 2/10/2017 5:40:45 PM
**To**: jeffrey E. [jeevacation@gmail.com]; Lang, Caroline [redacted]
**Subject**: RE: update

**Importance**: High

---

**De :** jeffrey E. <jeevacation@gmail.com>
**Envoyé :** vendredi 10 février 2017 18:40:10
**À :** Etienne Binant; Lang, Caroline
**Objet :** Re: update

yes, lets start. . yes we are on. sorry with trump around its been very crazy busy

On Fri, Feb 10, 2017 at 7:59 AM, Etienne Binant [redacted] wrote:

Hi Jeffrey

Happy to talk to you almost anytime today until around 3PM. Just tell me what number I should reach.

Not sure what got lost in translation here: **never** had the intention to go to any art fair or art show or anything of the kind.

All the artists we have in mind or send to you are people we have direct connections with. Not just their studio, but also their home. They are people the work of whom we follow, and many of them are already friendly (Arianna, Cali have had dinner or stayed home).

The idea is absolutely to have an impact on the ecosystem and to make a difference by supporting great artists when they need it.

Galleries references are important, because galleries allow artist to reach a broader audience. We would go directly to the source.

This is why it's important for me to go to LA or Berlin (or elsewhere) because those artists are not rich yet, they dont travel so much. They belong to a scene, and it does make a big difference to them if you connect in person.

The spirit is to have an impact on young, talented folks, and absolutely to stay at the source.

Once again, not sure was drifted away from this in communication

E

---

**De :** jeffrey E. <jeevacation@gmail.com>
**Envoyé :** vendredi 10 février 2017 12:32
**À :** Etienne Binant
**Cc :** Darren Indyke
**Objet :** Re: update

going to artists studio s much more appropriate , i think

On Thu, Feb 9, 2017 at 9:49 PM, Etienne Binant [redacted] wrote:

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>
> I hope you are having a great week.
>
> In LA hoping to begin acquiring pieces: are we on?
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**From:** Darren Indyke [redacted]
**Sent:** 2/15/2017 11:11:40 AM
**To:** Jeffrey Epstein [jeevacation@gmail.com]
**Subject:** Fwd: TR: update

**Importance:** High

# Privileged - Redacted

Sent from my iPhone

Begin forwarded message:

**From:** Etienne Binant <[redacted]>
**Date:** February 14, 2017 at 8:18:41 PM EST
**To:** Darren Indyke <[redacted]>
**Subject: TR: update**

Dear Darren

Latest from JE (indeed, encouraging)

Please let me know when account/wire are active, and how I can access internet banking and start the ball (in fact, it has started)

all the best

e

---

**De :** jeffrey E. <jeevacation@gmail.com>
**Envoyé :** vendredi 10 février 2017 18:40
**À :** Etienne Binant; Lang, Caroline
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**From:** Darren Indyke [redacted]
**Sent:** 2/15/2017 11:49:48 AM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: TR: update

**Importance:** High

**Privileged - Redacted**

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**Privileged - Redacted**

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**Cc :** Darren Indyke
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**From**: Michael Wolff [redacted]
**Sent**: 2/15/2017 1:16:03 PM
**To**: Jeffrey Epstein [jeevacation@gmail.com]
**Subject**: A few favors...

**Importance**: High

So...I'm doing this Trump book for a pile of money and with so far quite a bit of cooperation from them (DT called me the other day and spent 45 minutes on the phone ranting and raving about the media--alarming). I wonder if you could introduce me to Tom Barrack--just to say I'm a journalist who you know and trust, and that I'll follow up with a description of the project that I'm doing. Also, I'd love a reintroduction to Kathy Ruemmler. I need some off-the-record perspective on White House procedures.

Are you in NYC soon?

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**From**: Michael Wolff[redacted]
**Sent**: 2/15/2017 1:31:25 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: A few favors...

**Importance**: High

When in NYC?

On Wed, Feb 15, 2017 at 8:25 AM, jeffrey E. <jeevacation@gmail.com> wrote:

> can you send me an email to forward to tom. hes in the middle o some of the mess at the moment. everyone lawyering up in wash. .
>
> On Wed, Feb 15, 2017 at 8:16 AM, Michael Wolff[redacted]wrote:
>
> > So...I'm doing this Trump book for a pile of money and with so far quite a bit of cooperation from them (DT called me the other day and spent 45 minutes on the phone ranting and raving about the media--alarming). I wonder if you could introduce me to Tom Barrack--just to say I'm a journalist who you know and trust, and that I'll follow up with a description of the project that I'm doing. Also, I'd love a reintroduction to Kathy Ruemmler. I need some off-the-record perspective on White House procedures.
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**From**: Bruce Moskowitz [redacted]
**Sent**: 1/1/2017 12:44:33 AM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: Chatter

**Importance**: High

when you bring a donkey to the Kentucky derby you won't get into the starting gate and you certainly won't cross the finish line. This donkey brought four racehorses who will get to the finish line!
This was my major role hopefully we have a way forward.
https://ww

Sent from my iPhone

On Dec 31, 2016, at 7:16 PM, jeffrey E. <jeevacation@gmail.com> wrote:

Fun?
On Sat, Dec 31, 2016 at 7:57 PM Bruce Moskowitz [redacted] wrote:
> FYI you were right. Happy New Year.
>
> Sent from my iPad
>
> Bruce Moskowitz M.D.

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**From:** Kathy Ruemmler[redacted]
**Sent:** 1/12/2017 3:00:17 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

I'm going 2/13-2/17. Good news on biz. Do I have to wear a head scarf??

On Jan 12, 2017, at 9:53 AM, jeffrey E. <jeevacation@gmail.com> wrote:

when are you going ? biz is ok. my guy is flying from new york dubai on the 20th , his plane. i will organzie fun time there for you

On Thu, Jan 12, 2017 at 9:52 AM, Kathy Ruemmler [redacted] wrote:
When I go to Dubai on Emirates, do I need to go first or is business class good enough given that I only care about slepeping?

On Jan 12, 2017, at 9:22 AM, jeffrey E. <jeevacation@gmail.com> wrote:

nice

On Thu, Jan 12, 2017 at 9:21 AM, Kathy Ruemmler [redacted] wrote:
Got hired by Apple this week to do a patent trial.

On Jan 12, 2017, at 9:13 AM, jeffrey E. <jeevacation@gmail.com> wrote:

i understand the fear . thats why we will condition the close on how the others sell

On Thu, Jan 12, 2017 at 9:12 AM, Kathy Ruemmler [redacted] wrote:
What if I get it and can't resell?

On Jan 12, 2017, at 6:35 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im happy to negotiate with developer on your behalf. . or just give your talking points. allowances . commisions fees. free maintence etc

On Wed, Jan 11, 2017 at 9:02 PM, Kathy Ruemmler [redacted] wrote:
Not to disturb you, but I am struck by the similar mannerisms between Trump and McGyver

Sent from my iPad

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**From:** [redacted]
**Sent:** 1/15/2017 1:49:11 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

People are just back and the activity really started this week. A lot of enquiries out of China and a lot of buyers in the US have resurfaced

V-BR
Alireza ITTIHADIEH

On 15 Jan 2017, at 04:17, jeffrey E. <jeevacation@gmail.com> wrote:

what is trading , now that trump has won. ?

--

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**From:** Alireza Ittihadieh [redacted]
**Sent:** 1/15/2017 2:20:36 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

I just got my G550 - 5176 under contract at $18.5 and it's going to Pre-Purchase inspection on Monday.

I'm aware that G550 - 5109 was under contract for $17,600,000.

As a company we have 5 G550, 2 G650 and 1 BBJ buyers.

That is all I know for now.

V-BR
Alireza ITTIHADIEH

---

**From:** jeffrey E.
**Sent:** Sunday, 15 January 2017 05:51
**To:** Alireza Ittihadieh
**Subject:** Re:

what about real trades? what number?

On Sun, Jan 15, 2017 at 9:49 AM, Alireza Ittihadieh [redacted] wrote:

People are just back and the activity really started this week. A lot of enquiries out of China and a lot of buyers in the US have resurfaced

V-BR
Alireza ITTIHADIEH

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what is trading , now that trump has won. ?

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**From:** Alireza Ittihadieh [redacted]
**Sent:** 1/15/2017 2:27:28 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

Good V's are trading between $10-13.0M

V-BR
Alireza ITTIHADIEH

---

**From:** jeffrey E.
**Sent:** Sunday, 15 January 2017 06:21
**To:** Alireza Ittihadieh
**Subject:** Re:

and 5 s?

On Sun, Jan 15, 2017 at 10:20 AM, Alireza Ittihadieh [redacted] wrote:

I just got my G550 - 5176 under contract at $18.5 and it's going to Pre-Purchase inspection on Monday.

I'm aware that G550 - 5109 was under contract for $17,600,000.

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That is all I know for now.

V-BR
Alireza ITTIHADIEH

---

**From:** jeffrey E.
**Sent:** Sunday, 15 January 2017 05:51
**To:** Alireza Ittihadieh
**Subject:** Re:

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On Sun, Jan 15, 2017 at 9:49 AM, Alireza Ittihadieh [redacted] wrote:

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V-BR
Alireza ITTIHADIEH

On 15 Jan 2017, at 04:17, jeffrey E. <jeevacation@gmail.com> wrote:

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**From:** Robert Kuhn [redacted]
**Sent:** 1/22/2017 7:33:34 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Kuhn

**Importance:** High

Just got to New York - love to meet, brainstorm.

From Washington, my inauguration-day commentary and conversation with Chinese experts on Sino-US relations under Trump - https://youtu.be/OGdu1pmeVNM?list=PLt-M8o1W_GdSZbSuplmsSS5JZzlhIWpGb

Earlier interview on BBC "What Chinese think of Trump" - two minute excerpt
- http://www.bbc.co.uk/programmes/p04m9jj4

Looking forward, Robert

On Jan 11, 2017, at 2:51 AM, Robert L. Kuhn [redacted] wrote:

Dear Jeffrey:

Attached, as promised, is our proposal for Closer To Truth to produce the definitive television series on "The Science of Sleep and Dreams" - 13 episodes, a full season, on ~200 PBS stations, plus extensive web videos. Contemporary advances in sleep/dream research makes timing propitious.

Three documents:

1) Proposal (12 pages)

2) Budget (line item)

3) Schedule (weekly)

Please confirm receipt.

I'll be in New York from January 19 until about February 8. Love to meet - on Sleep/Dreams and all sorts of fun stuff to cheer our 2017.

Robert

<Closer To Truth - The Science of Sleep & Dreams – CTT TV Episodes & Web Videos - Jeffrey Epstein VI Foundation - 1.10.17.docx><Closer To Truth - The Science of Sleep & Dreams - Series Budget - 1.10.17.xls><Closer To Truth - Sleep and Dreams - Series Schedule-Timeline - 1.9.17.xlsx>

**From:** Robert Kuhn[redacted]
**Sent:** 1/22/2017 9:49:16 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Kuhn

**Importance:** High

I'm flexible after Tuesday. (Doing CNBC on Trump-China Tues morning)

I forgot to congratulate you on winning your looooooong-odds bet on Trump with Woody. Everyone I know, including me, would have bet against you. Quite extraordinary.

On Jan 22, 2017, at 4:32 PM, jeffrey E. <jeevacation@gmail.com> wrote:

look forward to it

On Sun, Jan 22, 2017 at 2:33 PM, Robert Kuhn <[redacted]> wrote:

Just got to New York - love to meet, brainstorm.

From Washington, my inauguration-day commentary and conversation with Chinese experts on Sino-US relations under Trump - https://youtu.be/OGdu1pmeVNM?list=PLt-M8o1W_GdSZbSuplmsSS5JZzlhIWpGb

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<Closer To Truth - The Science of Sleep & Dreams – CTT TV Episodes & Web Videos - Jeffrey Epstein VI Foundation - 1.10.17.docx><Closer To Truth - The Science of Sleep & Dreams - Series Budget - 1.10.17.xls><Closer To Truth - Sleep and Dreams - Series Schedule-Timeline - 1.9.17.xlsx>

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**From:** Robert Kuhn [redacted]
**Sent:** 1/25/2017 7:26:47 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Kuhn

**Importance:** High

When's good to meet?

On Jan 22, 2017, at 4:32 PM, jeffrey E. <jeevacation@gmail.com> wrote:

look forward to it

On Sun, Jan 22, 2017 at 2:33 PM, Robert Kuhn [redacted] wrote:

Just got to New York - love to meet, brainstorm.

From Washington, my inauguration-day commentary and conversation with Chinese experts on Sino-US relations under Trump - https://youtu.be/OGdu1pmeVNM?list=PLt-M8o1W_GdSZbSuplmsSS5JZzlhIWpGb

Earlier interview on BBC "What Chinese think of Trump" - two minute excerpt
- http://www.bbc.co.uk/programmes/p04m9jj4

Looking forward, Robert

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Robert

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If not yet, when please

thanks

e

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**From**: Ken Starr[redacted]
**Sent**: 12/25/2016 5:46:20 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

Hope Santa (swim trunks donned), reindeer and sleigh successfully made it southward. Yuletide hugs, Ken

Sent from my iPhone

On Dec 18, 2016, at 5:59 PM, jeffrey E. <jeevacation@gmail.com> wrote:

if trump fully supports jasta , does that make the consitutional challenge moot?

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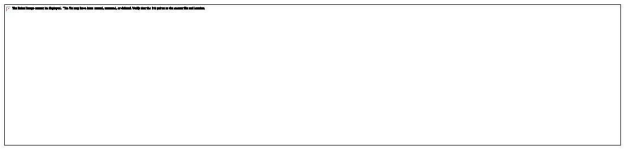
Regards



- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower, Business Bay, Dubai United Arab Emirates.

On Dec 28, 2016, at 8:48 PM, jeffrey E. <jeevacation@gmail.com> wrote:

new york throught asia  tokyo hong kong etc.  then i will fly you with me to st thomas and return

On Wed, Dec 28, 2016 at 7:41 AM, edrobles erobles [redacted] wrote:

Ok

- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower, Business Bay, Dubai United Arab Emirates.

On Dec 28, 2016, at 7:37 PM, jeffrey E. <jeevacation@gmail.com> wrote:

in ten minutes. . ??

On Wed, Dec 28, 2016 at 7:36 AM, edrobles erobles [redacted] wrote:

Oh, In that case I'm available right now , for the next two hours , that this work for you ?

- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower, Business Bay, Dubai United Arab Emirates.

On Dec 28, 2016, at 7:28 PM, jeffrey E. <jeevacation@gmail.com> wrote:

im in new york  so does early eveing work

On Wed, Dec 28, 2016 at 7:05 AM, edrobles erobles [redacted] wrote:

Hi Jeffrey
I'm available tomorrow, at any time after 10:00 Am (Dubai time) ( notice that Thailand its three hours ahead so for me it's 13:00 Pm)

My cell number in Thailand is: [redacted]
(If possible) please let me know by email (at least) 1/2 an hour before calling me so I can  be alert to the (phone) ring

Regards

- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower,
Business Bay, Dubai United Arab Emirates.

On Dec 28, 2016, at 6:24 PM, jeffrey E. <jeevacation@gmail.com> wrote:

Eduardo,  I ve gotten your name from sulltan suleiman in Dubai.  He and I are great friends.  I have two islands in the us virgin islands and want to build a great home  Sultan thought you might be the right fit .  can speak directly at any time  , the islands you can see on google earth  or great and little st james  thanks  jeffrey

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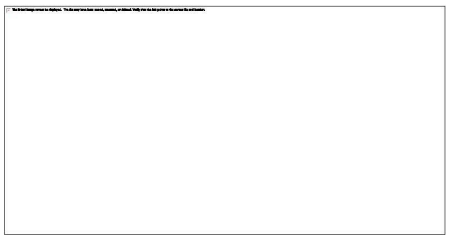
**From**: Deepak Chopra [redacted]
**Sent**: 1/2/2017 4:39:38 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: From a physicist friend
**Attachments**: OutlookEmoji-1478302741070_PastedGraphic-1.tiff; OutlookEmoji-1478822725266_supergenes-960x200.jpg.jpg

**Importance**: High

Today's Chronicle
http://www.sfgate.com/opinion/chopra/article/Why-You-and-the-Universe-Are-One-10830679.php

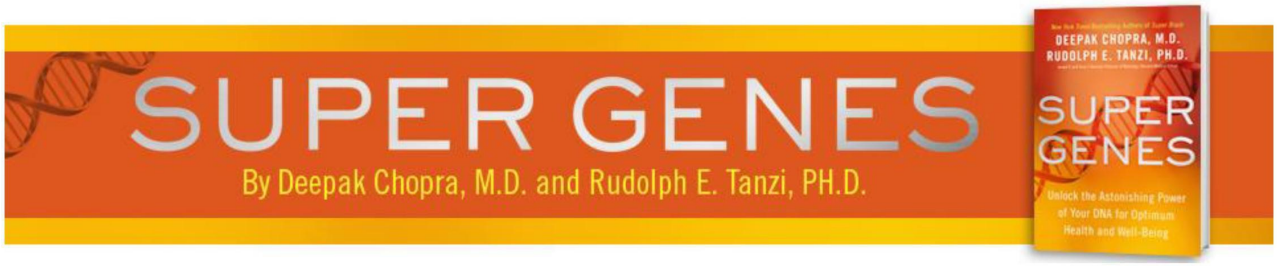


## Why You and the Universe Are One

www.sfgate.com

The accepted view of reality holds that human beings exist in the context of a vast physical universe "out there." Sir John Eccles, a famous British neurologist and Nobel laureate, declared, "I want you to realize that there exists no color in the natural world, and no sound – nothing of this kind; no textures, no patterns, no beauty, no scent." What Eccles means is that all the qualities of Nature, from the luxurious scent of a rose to the sting of a wasp and the taste of honey, are produced by human beings. The most distant galaxies billions of light years away, have no reality without you, because everything that makes any galaxy real— with the multitude of stars with their heat, emitted light, and masses, the positions of the distant galaxies in space and the velocity that carries each distant galaxy away at enormous speed—requires a human observer with a human nervous system. There are extremely faint traces of photon activity in the brain, but the optic nerve doesn't transmit photons to the visual

[redacted]
**Chopra Foundation**
**Jiyo**
**Chopra Center for Wellbeing**



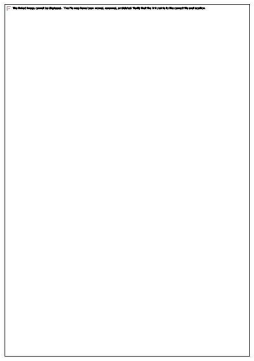

**From:** Deepak Chopra
**Sent:** Monday, January 2, 2017 10:58:07 AM
**To:** jeffrey E.
**Subject:** Re: From a physicist friend

I'm with you Sir !
Hoping to see you soon
💝🎈💗🎉🌴

Deepak Chopra

[redacted]

New Book: Radicalbeauty.com



On Jan 2, 2017, at 10:54 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im glad. I think the encyclpedia of meditation is going to be great we still have to work on the app and the boardgame. . instead of jail maybe it is spending time with Trump.

On Mon, Jan 2, 2017 at 11:53 AM, Deepak Chopra [redacted] wrote:

> Awareness is you
> Chair and Body / Mind and The Universe are re created in consciousness with every experience in you / being
> Experience is in time
> You are not in time
> This mornings post
> Has so far reached 300,000 people in less than 1 hour
> Some people are getting it !!

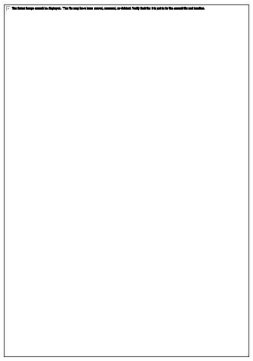
Love ❤

https://www.facebook.com/DeepakChopra/videos/10154236761065665/

Deepak Chopra

[redacted]

New Book: Radicalbeauty.com



On Jan 2, 2017, at 8:27 AM, jeffrey E. <jeevacation@gmail.com> wrote:

Breathe
On Mon, Jan 2, 2017 at 9:14 AM Deepak Chopra [redacted] wrote:

FYI

# Responding to another physicist who said "None of you seem capable of rational objective critical thinking on this topic of consciousness as a physical phenomenon."

**Response**

**"That's because it isn't, and everyone here (apparently save one) is rational and objective enough to understand that. Physical phenomena, and phenomena in general, are**

**ultimately perceptual in nature and subject to observational replication - that's why they call physics an empirical science. But consciousness is not.**

**Consciousness cannot be objectively, replicably observed. Its putative physical correlates, including**

**brains and behaviors, can be replicably observed, and it can be subjectively**

**apprehended by any conscious entity. But that's it. Anyone who denies this understands neither physics nor consciousness, and has a severe logic problem to boot, inasmuch as he/she cannot properly distinguish between cognition and perception or internal and**

**external state.**

**This isn't "polemics". This is just the way it is. Stop overreaching.**

Deepak Chopra

New Book: Radicalbeauty.com

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**From**: Sultan Bin Sulayem [redacted]
**Sent**: 1/6/2017 11:28:17 AM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: Presidential inauguration

**Importance**: High

Do you think it will be possible to shake hand with trump

Sent from my iPhone

On Jan 6, 2017, at 3:13 PM, jeffrey E. <jeevacation@gmail.com> wrote:

very many people going. it will be very crowded . but if you can meet some before or after in either wash or ny , it might be worth it. . but unlikely

On Fri, Jan 6, 2017 at 4:08 AM, Sultan Bin Sulayem [redacted] wrote:

> Should I accept the invitation sent by Tom barrack
>
> Sent from my iPhone

--

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**From**: Richard Merkin [redacted]
**Sent**: 1/8/2017 9:11:37 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: RE: Re:

**Importance**: High

Where?

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Sunday, January 8, 2017 1:07 PM
**To:** Richard Merkin [redacted]
**Subject:** Re:

all good with trump lots of opportunity

On Sun, Jan 8, 2017 at 4:02 PM, Richard Merkin [redacted] wrote:

> Fair ..and you?
>
> **From:** jeffrey E. [mailto:jeevacation@gmail.com]
> **Sent:** Sunday, January 8, 2017 11:59 AM
> **To:** Richard Merkin [redacted]
> **Subject:**
>
> you well?
>
> --
>
> please note
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**From:** Richard Merkin[redacted]
**Sent:** 1/9/2017 5:10:35 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Re:

**Importance:** High

No plans ,but I will make some!

Sent from my iPad

On Jan 9, 2017, at 4:55 AM, jeffrey E. <jeevacation@gmail.com> wrote:

are you coming to my coast anytime soon?

On Sun, Jan 8, 2017 at 4:11 PM, Richard Merkin [redacted] wrote:

> Where?
>
> **From:** jeffrey E. [mailto:jeevacation@gmail.com]
> **Sent:** Sunday, January 8, 2017 1:07 PM
> **To:** Richard Merkin[redacted]
> **Subject:** Re:
>
> all good with trump lots of opportunity
>
> On Sun, Jan 8, 2017 at 4:02 PM, Richard Merkin [redacted] wrote:
>
> > Fair ..and you?
> >
> > **From:** jeffrey E. [mailto:jeevacation@gmail.com]
> > **Sent:** Sunday, January 8, 2017 11:59 AM
> > **To:** Richard Merkin [redacted]
> > **Subject:**
> >
> > you well?
> >
> > --
> >
> > please note
> >
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**From:** Richard Merkin [redacted]
**Sent:** 1/9/2017 7:27:38 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Re:

**Importance:** High

Could be . If I had the time I would like to help the country and the VA improve the system, but until I have less current responsibility I will pass and focus on what is rather than what could be!

Sent from my iPhone

On Jan 9, 2017, at 10:24 AM, jeffrey E. <jeevacation@gmail.com> wrote:

is the shakeup in health care good for you?

On Mon, Jan 9, 2017 at 12:10 PM, Richard Merkin [redacted] wrote:

No plans ,but I will make some!

Sent from my iPad

On Jan 9, 2017, at 4:55 AM, jeffrey E. <jeevacation@gmail.com> wrote:

are you coming to my coast anytime soon?

On Sun, Jan 8, 2017 at 4:11 PM, Richard Merkin [redacted] wrote:

Where?

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Sunday, January 8, 2017 1:07 PM
**To:** Richard Merkin [redacted]
**Subject:** Re:

all good with trump lots of opportunity

On Sun, Jan 8, 2017 at 4:02 PM, Richard Merkin [redacted] wrote:

Fair ..and you?

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Sunday, January 8, 2017 11:59 AM
**To:** Richard Merkin [redacted]
**Subject:**

you well?

--

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**From**: Kathy Ruemmler [redacted]
**Sent**: 1/12/2017 2:02:04 AM
**To**: jeffrey E. [jeevacation@gmail.com]

**Importance**: High

Not to disturb you, but I am struck by the similar mannerisms between Trump and McGyver

Sent from my iPad

**From**: Kathy Ruemmler[redacted]
**Sent**: 1/12/2017 2:12:30 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

What if I get it and can't resell?

On Jan 12, 2017, at 6:35 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im happy to negotiate with developer on your behalf. . or just give your talking points. allowances . commisions fees. free maintence etc

On Wed, Jan 11, 2017 at 9:02 PM, Kathy Ruemmler[redacted] wrote:

> Not to disturb you, but I am struck by the similar mannerisms between Trump and McGyver
>
> Sent from my iPad

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**From:** Kathy Ruemmler [redacted]
**Sent:** 1/12/2017 2:14:38 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

That's smart. :-)

On Jan 12, 2017, at 9:13 AM, jeffrey E. <jeevacation@gmail.com> wrote:

i understand the fear . thats why we will condition the close on how the others sell

On Thu, Jan 12, 2017 at 9:12 AM, Kathy Ruemmler [redacted] wrote:

What if I get it and can't resell?

On Jan 12, 2017, at 6:35 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im happy to negotiate with developer on your behalf. . or just give your talking points. allowances . commisions fees. free maintence etc

On Wed, Jan 11, 2017 at 9:02 PM, Kathy Ruemmler [redacted] wrote:

Not to disturb you, but I am struck by the similar mannerisms between Trump and McGyver

Sent from my iPad

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**From:** Kathy Ruemmler[redacted]
**Sent:** 1/12/2017 2:21:31 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

Got hired by Apple this week to do a patent trial.

On Jan 12, 2017, at 9:13 AM, jeffrey E. <jeevacation@gmail.com> wrote:

i understand the fear . thats why we will condition the close on how the others sell

On Thu, Jan 12, 2017 at 9:12 AM, Kathy Ruemmler [redacted] wrote:

What if I get it and can't resell?

On Jan 12, 2017, at 6:35 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im happy to negotiate with developer on your behalf. . or just give your talking points. allowances . commisions fees. free maintence etc

On Wed, Jan 11, 2017 at 9:02 PM, Kathy Ruemmler [redacted] wrote:

Not to disturb you, but I am struck by the similar mannerisms between Trump and McGyver

Sent from my iPad

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**From:** Kathy Ruemmler [redacted]
**Sent:** 1/12/2017 2:52:17 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

When I go to Dubai on Emirates, do I need to go first or is business class good enough given that I only care about slepeping?

On Jan 12, 2017, at 9:22 AM, jeffrey E. <jeevacation@gmail.com> wrote:

nice

On Thu, Jan 12, 2017 at 9:21 AM, Kathy Ruemmler [redacted] wrote:
Got hired by Apple this week to do a patent trial.

On Jan 12, 2017, at 9:13 AM, jeffrey E. <jeevacation@gmail.com> wrote:

i understand the fear . thats why we will condition the close on how the others sell

On Thu, Jan 12, 2017 at 9:12 AM, Kathy Ruemmler [redacted] wrote:
What if I get it and can't resell?

On Jan 12, 2017, at 6:35 AM, jeffrey E. <jeevacation@gmail.com> wrote:

im happy to negotiate with developer on your behalf. . or just give your talking points. allowances . commisions fees. free maintence etc

On Wed, Jan 11, 2017 at 9:02 PM, Kathy Ruemmler [redacted] wrote:
Not to disturb you, but I am struck by the similar mannerisms between Trump and McGyver

Sent from my iPad

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**From**: Valeria Chomsky [redacted]
**Sent**: 11/13/2016 6:37:59 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**CC**: Noam Chomsky [redacted]
**Subject**: Re: trump

**Importance**: High

I knew even before the primaries. Announced in meetings, lunches and dinners, just to receive a look of contempt and disbelief.

Now I want my position as a political analyst (preferably in the White House).

Valeria

Valeria Chomsky

On Sun, Nov 13, 2016 at 1:32 PM, Valeria Chomsky [redacted] wrote:

> Yeah.
>
> Once you asked me who I would like to see talking to Noam. Here is a guy! Can you arrange it? He could make good use of Noam's advices.
>
> Valeria
>
> Valeria Chomsky
>
> On Sun, Nov 13, 2016 at 1:26 PM, jeffrey E. <jeevacation@gmail.com> wrote:
>
> > we called it
> >
> > --
> > please note
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**From:** Thomas Jr., Landon [redacted]
**Sent:** 11/14/2016 2:54:06 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Trump

**Importance:** High

do you agree with my thesis?

On Mon, Nov 14, 2016 at 9:53 AM, jeffrey E. <jeevacation@gmail.com> wrote:
no intel but lots of profits

On Mon, Nov 14, 2016 at 9:51 AM, Thomas Jr., Landon [redacted] > wrote:
Any further intel on Treasury? Priebus choice suggests to me that he may go for a bigger name in treasury than Mnuchin. Someone to underscore/push forward this notion that he is Reagan 2.0 (as some are suggesting). I am just not sure who that person would be. The Trump trade certainly seems to have legs -- all the Hillary loving hedgies I am talking to are congratulating themselves for making so much money last week. They are all Trump lovers now!

--
Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

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--
Landon Thomas, Jr.

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--
Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

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Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

**From:** Dangene and Jennie Enterprise [redacted]
**Sent:** 11/27/2016 5:50:02 PM
**To:** Jeffrey Epstein [jeevacation@gmail.com]
**Subject:** Re:
**Attachments:** EWLarge2.jpg

**Importance:** High

cool ! Lets go to the inauguration together !!!

Enterpriseworld

CORE: Jennie Enterprise |
@dandjenterprise | Founder & Chairman | 66 East 55th Street New York NY 10022 | Main: [redacted] | Mobile: [redacted]
www.coreaccess.net |

On Nov 27, 2016, at 12:43 PM, jeffrey E. <jeevacation@gmail.com> wrote:

really fun, im in palm with the trump crowd

On Sun, Nov 27, 2016 at 12:40 PM, Dangene and Jennie Enterprise <[redacted]> wrote:

soma dome ….How was your thanksgiving ? Love u

Enterpriseworld

CORE: Jennie Enterprise |
@dandjenterprise | Founder & Chairman | 66 East 55th Street New York NY 10022 | Main: [redacted] Mobile: [redacted] |
www.coreaccess.net |

On Nov 27, 2016, at 12:29 PM, jeffrey E. <jeevacation@gmail.com> wrote:

What is the relaxation machine in waiting area

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**From:** Larry Summers [redacted]
**Sent:** 11/29/2016 7:34:18 AM
**To:** Jeffrey Epstein [jeevacation@gmail.com]
**Subject:** Fwd: Re:

**Importance:** High

Who is the guy you have set me up with?

Spend zero effort on anything about me w trump. Seeing his approach to conflict of interest, his Putin proximity, and his mindless response on Castro death I'm best off a million miles away.

Until they are deeply humbled by the fuckups that are sure to come, I serve myself and country best by doing nothing that involves loyalty to them.

Sent from my iPad

Please direct all scheduling inquiries to my office at:[redacted]

Follow me on twitter @lhsummers
www.larrysummers.com

Begin forwarded message:

**From:** Afri zp <[redacted]
**Date:** November 29, 2016 at 3:26:13 AM GMT-3:30
**To:** "jeffrey E." <jeevacation@gmail.com>
**Cc:** Larry Summers <[redacted]>
**Subject: Re:**

Larry,

I'll be very please to meet or take you for diner. My mobile in Doha is +97455125119

Le 29 nov. 2016 à 00:16, jeffrey E. <jeevacation@gmail.com> a écrit :

larry, karim, karim - larry, larry will be in doha on wed, i think you two would enjoy meeting

--
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**From**: Pritzker, Tom[redacted]
**Sent**: 12/15/2016 3:54:53 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: RE:

**Importance**: High

I'm stuck in the cold! Five degrees. Aspen next week to warm up. Tilerson is a good move for Trump. Have gotten to know him at CSIS, he's the real deal.
tjp

**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Thursday, December 15, 2016 8:53 AM
**To:** Pritzker, Tom[redacted]
**Subject:**

??

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**From:** Ken Starr [redacted]
**Sent:** 12/25/2016 7:39:30 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

A prince art thou. Thank you.

Just agreed to handle an appeal -- billion-dollar jury verdict in federal court against Johnson & Johnson. Get ready: Representing the hip-replacement plaintiffs. Good friends on both sides.

Love ya.

Sent from my iPhone

On Dec 25, 2016, at 12:39 PM, jeffrey E. <jeevacation@gmail.com> wrote:

thx
hope this year brings you true peace. you deserve it

On Sun, Dec 25, 2016 at 12:46 PM, Ken Starr [redacted] wrote:

Hope Santa (swim trunks donned), reindeer and sleigh successfully made it southward. Yuletide hugs, Ken

Sent from my iPhone

On Dec 18, 2016, at 5:59 PM, jeffrey E. <jeevacation@gmail.com> wrote:

if trump fully supports jasta , does that make the consitutional challenge moot?

--

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On Dec 29, 2016, at 5:28 PM, jeffrey E. <jeevacation@gmail.com> wrote:

im in caribean until the 2nd. and then fly to new york. anytime is good. I dont cellebrate normal holidays. . every day is a holiday. . othewise I will be in new york the 20th-22 and then fly down to island again. so if the 22 works we could exchange some ideas and info prior and you can hit the ground running.

On Wed, Dec 28, 2016 at 10:52 PM, edrobles erobles [redacted] wrote:

Hi Jeffrey, Many options through Asia, destination New York , please let me know the dates, also it'll be good to have an engeenier at the site to ask some technical (local) questions

With this plus your briefing, would be enough to asses the islands and through the two days of (blue sky Ideas) get your vision in a rough format

Regards

- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower,

Business Bay, Dubai United Arab Emirates.

On Dec 29, 2016, at 9:09 AM, edrobles erobles [redacted] wrote:

Hi Jeffrey, what Day, is better for you to meet in New York? It's the holidays and issue ? (New Year) , for us it's fine but let us know, so can arrange the date and schedule

- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower,

Business Bay, Dubai United Arab Emirates.

On Dec 28, 2016, at 10:39 PM, edrobles erobles [redacted] wrote:

Yes, trying now New York Via Hong Kong or Tokyo ? I'll now by tomorrow Morning

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**From**: Erika Kellerhals [redacted]
**Sent**: 11/10/2016 10:12:34 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

But holy shit you were spot on about trump!

Sent from my iPhone

On Nov 10, 2016, at 6:09 PM, jeffrey E. <jeevacation@gmail.com> wrote:

**http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html**

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On Nov 10, 2016, at 5:00 PM, jeffrey E. <jeevacation@gmail.com> wrote:

http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html

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**From**: Linda Stone [redacted]
**Sent**: 11/13/2016 6:34:38 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: My sister's perspective from Europe

**Importance**: High

Putin? NATO? Those were the points my sister raised that were concerning.

Will meet you in Boston or NYC sometime. Curious to hear your thinking.

On Nov 13, 2016, at 1:28 PM, jeffrey E. <jeevacation@gmail.com> wrote:

he is neither sexist or racistl that is the point and in fact the truth. he says things . to get elected and it worked nothing more . talking heads goofyy

On Sun, Nov 13, 2016 at 1:26 PM, Linda Stone [redacted] wrote:

I am looking at this from over here in Germany. American politics gets reduced in the end to only a few issues: pro-life or pro-choice, gun laws, and establishment vs. anti-establishment. Political categories are so wishy washy and intermingled with what is termed 'liberal' and 'conservative' that one forgets what they actually mean.

Of course, not everybody who voted for Trump is sexist or a racist, but, on some level, they didn't care if he is. He knew how to gather momentum with the discourse he chose, and, even if he changes his tone, he has let loose a storm. We will brace ourselves over here for Putin's eventual takeover of the Baltic States. Putin has extended his power back into Republic of Georgia, the Crimea, and Armenia. Trump has said that he would not come to the aid of Nato allies if they were attacked. IS is the least of our problems here in Germany; Erdogan is a much larger threat, for now.

I don't see Hillary Clinton as being at fault. I see the growth of nationalism (all throughout the world, not just in the USA) and an underestimation of the fear that non-Hispanic whites have about the trajectory they are on to become a minority (in the USA and other European countries).

Every news show, talk show, etc here is discussing and analysing the fallout of Trump's win. German politicians are hoping to learn from it, to stem the growth of the right wing AFD party here. As far as I know, Merkel is the only leader who congratulated Trump with a warning.

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**From**: Deepak Chopra [redacted]
**Sent**: 11/14/2016 1:13:43 PM
**To**: Jeff Epstein [jeevacation@gmail.com]
**Subject**: Deepak Chopra shared a link: The Real Cause - and Cure - of Trump Anguish - SFGate

**Importance**: High

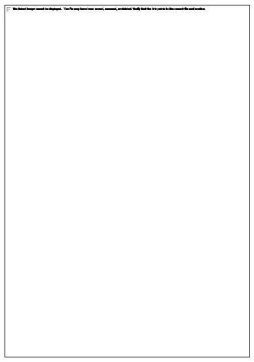
The Real Cause - and Cure - of Trump Anguish - SFGate from Deepak Chopra's Tweet

Download the Twitter app

Deepak Chopra

[redacted]

New Book: Radicalbeauty.com



**From:** Deepak Chopra [redacted]
**Sent:** 11/14/2016 1:25:37 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Deepak Chopra shared a link: The Real Cause - and Cure - of Trump Anguish - SFGate

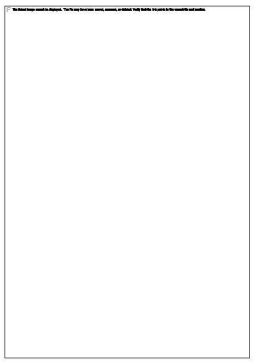
**Importance:** High

Yes
Will do
❤

Deepak Chopra

[redacted]

New Book: Radicalbeauty.com



On Nov 14, 2016, at 8:24 AM, jeffrey E. <jeevacation@gmail.com> wrote:

nice to ee you, we should spend some time getting the app and board game right

On Mon, Nov 14, 2016 at 8:13 AM, Deepak Chopra [redacted] wrote:

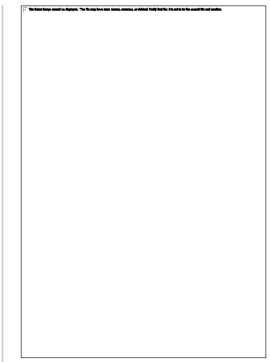
The Real Cause - and Cure - of Trump Anguish - SFGate from Deepak Chopra's Tweet

Download the Twitter app

Deepak Chopra

[redacted]

New Book: Radicalbeauty.com



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**From**: Thomas Jr., Landon [redacted]
**Sent**: 11/14/2016 2:51:53 PM
**To**: Jeffrey Epstein [jeevacation@gmail.com]
**Subject**: Trump

**Importance**: High

Any further intel on Treasury? Priebus choice suggests to me that he may go for a bigger name in treasury than Mnuchin. Someone to underscore/push forward this notion that he is Reagan 2.0 (as some are suggesting). I am just not sure who that person would be. The Trump trade certainly seems to have legs -- all the Hillary loving hedgies I am talking to are congratulating themselves for making so much money last week. They are all Trump lovers now!

--
Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

**From:** Thomas Jr., Landon [redacted]
**Sent:** 11/14/2016 2:59:28 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Trump

**Importance:** High

yeah, but that was a smart move -- made him look presidential. everything he has done so far suggests to me he is going to do what you told me months ago: appoint competent people beneath him who he trusts AND who will not fuck things up. Christie was not one of those people.

On Mon, Nov 14, 2016 at 9:56 AM, jeffrey E. <jeevacation@gmail.com> wrote:

no, they dont have many loyal people that have gravitas. . it will be somewhat random but he is being advised to do as you suggest but he doesnt like advice in general. he has no loyalty ZERO tossed christie after being his best friend. in four seconds flat

On Mon, Nov 14, 2016 at 9:54 AM, Thomas Jr., Landon [redacted] wrote:

do you agree with my thesis?

On Mon, Nov 14, 2016 at 9:53 AM, jeffrey E. <jeevacation@gmail.com> wrote:

no intel but lots of profits

On Mon, Nov 14, 2016 at 9:51 AM, Thomas Jr., Landon [redacted] wrote:

Any further intel on Treasury? Priebus choice suggests to me that he may go for a bigger name in treasury than Mnuchin. Someone to underscore/push forward this notion that he is Reagan 2.0 (as some are suggesting). I am just not sure who that person would be. The Trump trade certainly seems to have legs -- all the Hillary loving hedgies I am talking to are congratulating themselves for making so much money last week. They are all Trump lovers now!

--
Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

--

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**From**: [redacted]
**Sent**: 11/16/2016 6:48:02 PM
**To**: jeffrey epstein [jeevacation@gmail.com]

**Importance**: High

Hey Jeffrey!!

How are you ? Happy abt Trump being elected or not?

I hope you meet Christian in NY. He is genius in tech and also my boyfriend :-) so I will be travelling to NY often to see him and can catch up with you..

Did you think of any lawyering job I can do for you after I graduate from Berkeley and take NY bar ? ;-)

Hugs,
[redacted]

**From:** [redacted]
**Sent:** 11/16/2016 6:55:56 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

What do u hope?))

Kind regards,
[redacted]

On 16 Nov 2016, at 7:54 PM, jeffrey E. <jeevacation@gmail.com> wrote:

hope

On Wed, Nov 16, 2016 at 2:48 PM, [redacted] wrote:

Hey Jeffrey!!

How are you ? Happy abt Trump being elected or not?

I hope you meet Christian in NY. He is genius in tech and also my boyfriend :-) so I will be travelling to NY often to see him and can catch up with you..

Did you think of any lawyering job I can do for you after I graduate from Berkeley and take NY bar ? ;-)

Hugs,
[redacted]

--

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**From:** Linda Pinto [redacted]
**Sent:** 11/25/2016 11:53:06 AM
**To:** 'jeffrey E.' [jeevacation@gmail.com]
**Subject:** RE: ILE MOUSTIQUE

**Importance:** High

OK great I will ask the accounting department to prepare and send the first request.

Good luck with the government…

Linda PINTO
Cabinet Alberto Pinto
11 rue d'Aboukir
75002 Paris
T: [redacted]
F: [redacted]
www.albertopinto.com
[redacted]

**De :** jeffrey E. [mailto:jeevacation@gmail.com]
**Envoyé :** jeudi 24 novembre 2016 18:09
**À :** Linda PINTO [redacted]
**Objet :** Re: ILE MOUSTIQUE

please do so. I am having a meeting with the government on the 15th re foreigb workers , painters. etc. sorry , its beeen crazy with trump people here in palm beach

On Thu, Nov 24, 2016 at 11:49 AM, Linda Pinto [redacted] wrote:

> Dear Jeffrey,
>
> Since your last meeting in Paris and the meeting on site I have had no news from you. I would just like to know if you intend to go ahead with the interior design work because Florence is blocked and waiting. If you want to do it and since about ~70-80-90% of the project is approved then why don't we start with what is sure and for the remaining points, such as the kitchen, we can see about these the next time you are in Paris.
>
> As for the kitchen I understand new samples were sent yesterday. These samples are in grey which is not a very bright color for a beach house kitchen where perhaps blue might be more appropriate. Let's see.
>
> If you would like us to do the project we will send you a budget recap for the points agreed upon along with our first account and fees.
>
> Big kisses,

Linda PINTO
Cabinet Alberto Pinto
11 rue d'Aboukir
75002 Paris
T:[redacted]
F:
www.albertopinto.com
[redacted]

--

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**From**: Larry Visoski [redacted]
**Sent**: 11/25/2016 10:28:28 PM
**To**: Je vacation [jeevacation@gmail.com]
**Subject**: Trump

Jeffrey
Trump is still scheduled to depart Sunday between 4 and 6pm,,
Let me know if we are firm for wheels up Saturday at 6pm still?

Thx
Larry

Sent from my iPhone

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**From:** Dangene and Jennie Enterprise [redacted]
**Sent:** 11/27/2016 7:05:19 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**CC:** Dangene and Jennie Enterprise [redacted]
**Subject:** Re:
**Attachments:** EWLarge2.jpg

**Importance:** High

HAPPY thanksgiving weekend 🍁
SOMADOME

Enterpriseworld 🌎
Dangene Enterprise | Founder |
@dandjenterprise |
CORE: 66 E.55th Street |
New York NY 10022 |
Ph: [redacted]
| [redacted]
| www.dangene.com |

On Nov 27, 2016, at 12:43 PM, jeffrey E. <jeevacation@gmail.com> wrote:

really fun, im in palm with the trump crowd

On Sun, Nov 27, 2016 at 12:40 PM, Dangene and Jennie Enterprise [redacted] wrote:
soma dome ….How was your thanksgiving ? Love u
Enterpriseworld

CORE: Jennie Enterprise |
@dandjenterprise | Founder & Chairman | 66 East 55th Street New York NY 10022 |
Main [redacted] | Mobile [redacted]
www.coreaccess.net |

On Nov 27, 2016, at 12:29 PM, jeffrey E. <jeevacation@gmail.com> wrote:

What is the relaxation machine in waiting area

--
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**From**: Larry Summers [redacted]
**Sent**: 11/28/2016 12:52:19 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

Interesting

Grey is at least reasonably smart.

Sent from my iPhone

Please direct all scheduling inquiries to my office at: [redacted]

Follow me on twitter @lhsummers
www.larrysummers.com

On Nov 28, 2016, at 7:20 AM, jeffrey E. <jeevacation@gmail.com> wrote:

http://www.foxbusiness.com/politics/2016/05/01/trump-touts-henry-kravis-as-treasury-secretary-again-and-again-declines.html
--

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**From**: Kathy [redacted]
**Sent**: 12/1/2016 3:58:05 AM
**To**: jeffrey E. [jeevacation@gmail.com]

**Importance**: High

The dems are going to take out a couple of Trump's nominees, and Mnuchin may be one of them.

Sent from my iPad

**From**: Lang, Caroline[redacted]
**Sent**: 12/2/2016 12:41:57 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

Excellent !

Caroline Lang

Le 2 déc. 2016 à 12:38, jeffrey E. <jeevacation@gmail.com> a écrit :

first you father was afraid of trump and the us. , now he shold probaby move here. :)

--

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**From**: Jonathan Farkas [redacted]
**Sent**: 12/7/2016 5:01:04 PM
**To**: jeffrey E. [jeevacation@gmail.com]

**Importance**: High

Hi jeffrey hope all is well I think you are going to have a winderful life from now on in your opinion how much is left in this market it's been a trump triumph I gave him some money through woody best jonathan

Sent from my iPhone

**From:** [redacted]
**Sent:** 12/7/2016 5:29:21 PM
**To:** jeevacation@gmail.com
**Subject:** Re:

**Importance:** High

yikes your birthday coming up next month

In a message dated 12/7/2016 12:25:22 P.M. Eastern Standard Time, jeevacation@gmail.com writes:

> plenty left
>
> On Wed, Dec 7, 2016 at 1:01 PM, Jonathan Farkas [redacted]> wrote:
>
> > Hi jeffrey hope all is well I think you are going to have a winderful life from now on in your opinion how much is left in this market it's been a trump triumph I gave him some money through woody best jonathan
> >
> > Sent from my iPhone
>
> --
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**From:** Lvjet [redacted]
**Sent:** 12/15/2016 4:29:32 PM
**To:** jeevacation@gmail.com
**Subject:** Re:

**Importance:** High

message received,,, not before 8pm very good
NOTE,.
UPdated President Elect schedule:
Trump Plane to arrive Orlando at 5pm friday for event,. then arrive Palm Beach estimate 10pm,. He usually runs late, so 11pm could be realistic time for his PBI Arrival,.
***the airport only shuts down for 20 min before and after his arrival,.
I'll keep you posted if time changes,.

thx
Larry

-----Original Message-----
From: jeffrey E. <jeevacation@gmail.com>
To: lvjet[redacted]; Lesley Groff [redacted]
Sent: Thu, Dec 15, 2016 11:16 am

wont leave until 8 pm torow

--

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**From**: Bruce Moskowitz [redacted]
**Sent**: 12/20/2016 7:37:59 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re: Will discuss

**Importance**: High

Actually they only looked at the "Trump Deplorables"!

Sent from my iPad
Bruce Moskowitz M.D.

On Dec 20, 2016, at 2:22 PM, jeffrey E. <jeevacation@gmail.com> wrote:

shoddy statistics. skewed towards the poor

On Tue, Dec 20, 2016 at 1:59 PM, Bruce Moskowitz [redacted] wrote:

Sent from my iPad
Bruce Moskowitz M.D.

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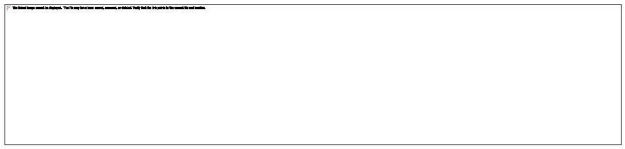
**From:** edrobles erobles [redacted]
**Sent:** 12/29/2016 11:35:31 AM
**To:** jeffrey E. [jeevacation@gmail.com]
**CC:** Thanu Cnx [redacted]
**Subject:** Re:

**Importance:** High

Sounds like a plan!



- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower, Business Bay, Dubai United Arab Emirates.

On Dec 29, 2016, at 6:24 PM, jeffrey E. <jeevacation@gmail.com> wrote:

will send great for schedule. . 20th is both my birthday and inauguration of trump. a nice time for a new project

On Thu, Dec 29, 2016 at 6:16 AM, edrobles erobles [redacted] wrote:

Dear Jeffrey, need to be in Dubai on January 15, 2017. Then, We can fly to New York and meet you there on the 20 th.

If you happen to have a survey on the Islands available? It will be very helpful to us (to get familiar with the site) ? If not, we can google earth the Island

Looking forward to meet you

Regards

- email: [redacted]
- email: [redacted]
- website: www.creativekingdom.com
- address: 5th Floor Office No:504 Aspect Tower, Business Bay, Dubai United Arab Emirates.

# Miami U.S. attorney's office recuses itself from the Jeffrey Epstein case

By JULIE K. BROWN
Miami Herald

MIAMI — Just days before a Friday deadline, the Justice Department has reassigned the Jeffrey Epstein victims' rights case to the U.S. attorney's office in Atlanta, the attorneys representing Epstein's victims said Tuesday.

Miami federal prosecutors, in a letter to attorneys for the victims Monday, said they had recused themselves from the case, according to Brad Edwards and Jack Scarola, representing Epstein's victims.

The reassignment means that the U.S. attorney for the Northern District of Georgia, Byung J. "BJay" Pak, will oversee the case for the government. Pak, a former Georgia lawmaker, was appointed Atlanta's chief federal prosecutor by President Donald Trump in October 2017.

The Justice Department is still under a Friday deadline for prosecutors to confer with the victims' attorneys in an effort to settle the case. On Feb. 22, U.S. District Judge Kenneth A. Marra in Palm Beach County ruled that federal prosecutors, under former Miami U.S. Attorney Alexander Acosta, broke the law when they concealed a plea agreement from more than 30 underage girls in Palm Beach who had been sexually abused by Epstein, a multimillionaire New York hedge fund manager.

Marra stopped short of voiding the agreement, which granted Epstein and an untold number of accomplices immunity from federal prosecution for sex trafficking crimes, provided Epstein plead guilty to minor charges in state court. At the time of the plea deal, federal prosecutors had gathered enough evidence against Epstein to write a 53-page federal indictment, court records show.

An investigation by the Miami Herald, "Perversion of Justice," found that after Acosta met privately with one of Epstein's lawyers, the government agreed to seal the plea agreement so that no one — not the victims, not even the state court judge who sentenced Epstein — would know the full extent of his crimes. Epstein, now 66, was allowed to plead guilty to prostitution charges and served 13 months in the Palm Beach County jail, where he was given liberal work release, and allowed to travel to New York and his private island in the Virgin Islands during his subsequent house arrest. He was released in 2009, and now divides his time between New York, Palm Beach and the U.S. Virgin Islands.

The Herald interviewed four of Epstein's victims, who were as young as 13 at the time they were abused by Epstein. They said they felt betrayed by state and federal prosecutors, who treated them like prostitutes instead of victims. Two of them sued the federal government in 2008 under the Crime Victims' Rights Act, which grants crime victims the right to be informed about plea deals and to confer with prosecutors.

Marra, in a 33-page opinion, said prosecutors not only intentionally violated the Crime Victims' Rights Act, but they misled the girls into believing that the FBI's sex trafficking case against Epstein was ongoing — when, in fact, prosecutors had secretly closed it after sealing the plea bargain from the public record.

Marra, noting that he reviewed affidavits, depositions and interrogatories, said "Epstein worked in concert with others to obtain minors not only for his own sexual gratification, but also for the sexual gratification of others."

The victims' attorneys — Edwards, Scarola and Paul Cassell — have asked the Justice Department to throw out Epstein's plea agreement and reopen the criminal investigation.

Edwards, who brought the victims' rights case against the government, said transferring the case to another jurisdiction is a prudent decision.

"I think it's good that we're going to get fresh eyes and a fresh opinion on the way the case was handled," Edwards said Tuesday.

Miami's new U.S. attorney, Ariana Fajardo Orshan — who was appointed by Trump in September — did not respond to a request for comment.

Acosta, who was appointed by Trump as the U.S. secretary of labor in 2017, is the focus of a separate Justice Department investigation into whether there was any prosecutorial misconduct in the Epstein case. That probe, by the DOJ's Office of Professional Responsibility, was initiated in response to demands from a bipartisan group in Congress, led by Republican Sen. Ben Sasse of Nebraska and Democratic Rep. Debbie Wasserman Schultz of Florida.

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Dr. Bacot and COG have established relationships with large hospital systems in South Florida to provide these specialized surgical services currently unavailable in the USVI.

The team at COG, led by Dr. Bacot will direct your medical care, perform the required surgical procedures and manage your recovery once you return home.

The surgical procedures required will be coordinated with the hospital by the clinical team at COG. The hospital system will be accepting the same methods of payments accepted by COG.

*We look forward to serving you and hope the residents of the USVI and Caribbean welcome the orthopedic services being provided*

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**From**: Erika Kellerhals [redacted]
**Sent**: 11/10/2016 10:12:20 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

I'm so sorry this happened to you. It's terrible. And sad.

Sent from my iPhone

On Nov 10, 2016, at 6:09 PM, jeffrey E. <jeevacation@gmail.com> wrote:

**http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html**

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**From**: Deepak Chopra [redacted]
**Sent**: 11/10/2016 10:14:40 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

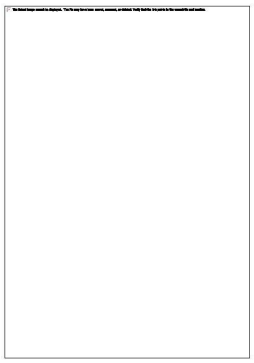
**Importance**: High

Did she also drop civil case against you ?

Deepak Chopra

2013 Costa Del Mar Road
Carlsbad, CA 92013

New Book: Radicalbeauty.com



On Nov 10, 2016, at 5:00 PM, jeffrey E. <jeevacation@gmail.com> wrote:

http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html

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**From**: Deepak Chopra [redacted]
**Sent**: 11/10/2016 10:16:11 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

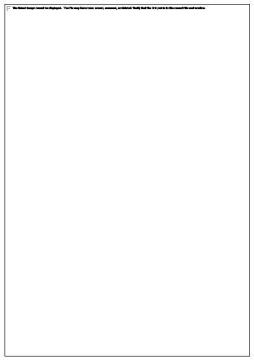
**Importance**: High

Good
See you this Sat 230 PM ?

Deepak Chopra

2013 Costa Del Mar Road
Carlsbad, CA 92013

New Book: Radicalbeauty.com



On Nov 10, 2016, at 5:15 PM, jeffrey E. <jeevacation@gmail.com> wrote:

yup

On Thu, Nov 10, 2016 at 11:14 PM, Deepak Chopra <[redacted] wrote:

> Did she also drop civil case against you ?
>
> Deepak Chopra
>
> 2013 Costa Del Mar Road
> Carlsbad, CA 92013
>
> New Book: Radicalbeauty.com

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**From:** Thomas Jr., Landon [redacted]
**Sent:** 11/10/2016 10:19:17 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

212 556 3821

On Thu, Nov 10, 2016 at 5:11 PM, jeffrey E. <jeevacation@gmail.com> wrote:
number?

On Thu, Nov 10, 2016 at 11:10 PM, Thomas Jr., Landon [redacted] wrote:
who is treasury secretary? Is Mnuchin a done deal? Seems too obvious.

On Thu, Nov 10, 2016 at 4:58 PM, jeffrey E. <jeevacation@gmail.com> wrote:
long dow , short yen euro and pound. long reits,

On Thu, Nov 10, 2016 at 10:57 PM, Thomas Jr., Landon [redacted] wrote:
You called it! How are you positioned re market?

On Thu, Nov 10, 2016 at 4:54 PM, jeffrey E. <jeevacation@gmail.com> wrote:
http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html

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--

Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

--
Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

**From**: Jabor Y. [redacted]
**Sent**: 11/11/2016 5:13:57 AM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

Wish you a safe trip back. Congratulations on your new president. You are made to handle all uncertainties and meet new challenges. Wish you the best and assure you of all my possible support. I am in contact with the Sharia guys and hope to come back to you next week regarding the e-currency. Look forward to see you in Marrakech or in NY if nothing works out.

On Thursday, November 10, 2016, jeffrey E. <jeevacation@gmail.com> wrote:

> in paris today, headed for new york. . trump gives many new things to do
>
> --
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**From:** Jabor Y.[redacted]
**Sent:** 11/11/2016 11:00:04 AM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

Yes around 22nd.

On Friday, November 11, 2016, jeffrey E. <jeevacation@gmail.com> wrote:
When marrahesh ? Is it definite

On Friday, 11 November 2016, Jabor Y. [redacted] wrote:
Wish you a safe trip back. Congratulations on your new president. You are made to handle all uncertainties and meet new challenges. Wish you the best and assure you of all my possible support. I am in contact with the Sharia guys and hope to come back to you next week regarding the e-currency. Look forward to see you in Marrakech or in NY if nothing works out.

On Thursday, November 10, 2016, jeffrey E. <jeevacation@gmail.com> wrote:
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- The conference attendee who took the 'selfie' photo did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
- The conference attendee who witnessed the incident, did not lodge a formal complaint to the conference organisers
at the time of the incident (November 2016).
The photo submitted as part of the complaint does not provide evidence of any physical contact.
- The complainant alleged that a photo exists, showing your hand on the breast of the conference attendee who took
the 'selfie' photo. This photo was not made available to the Australian National University, although it was requested
in the course of the investigation."

(And for the record I often put my hand up in front of a camera if there is a flash, as I specifically request selfies not to include flashes, so that I don't end up with a series bright spots in front of my eyes for the next half hour)

What makes this particular type of allegation so repugnant is that I get asked for literally thousands of selfies, and when people come up to me they are vulnerable, often shaking, and sometimes overly aggressive. I am particularly proud of the way I attempt to make all people feel at ease, and respected, rather than humiliated. Thus, this false claim strikes at the heart of what I am about, which is to acknowledge fans in a way that makes them feel appreciated. As I understand you had a reporter watching me sign books and take selfies at the CFI conference in Las Vegas this year, that behavior is what they will have witnessed. Moreover, I am proud of the interactions I have had at both Case and ASU, with students, colleagues and staff of all genders and ethnicities. I have worked hard to support them, mentor them, and treat them with respect. I treat others as responsible adults, and I expect to be treated equally.

**Lawrence M. Krauss**
**Director, The Origins Project at ASU**
**Co-Director, Cosmology Initiative**
**Foundation Professor**
School of Earth & Space Exploration and Physics Department
Arizona State University, P.O. Box 871404, Tempe, AZ 85287-1404
Research Office [redacted], Assistant [redacted]
Origins Office [redacted]
[redacted]
origins.asu.edu | twitter.com/lkrauss1 | krauss.faculty.asu.edu

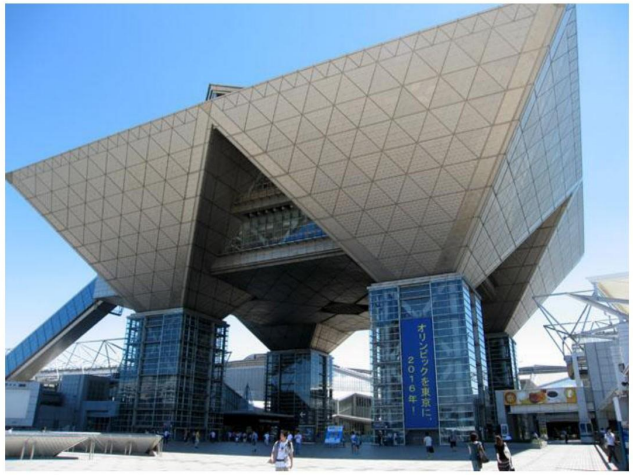
On Dec 10, 2017, at 9:53 PM, Lawrence Krauss <[redacted]> wrote:

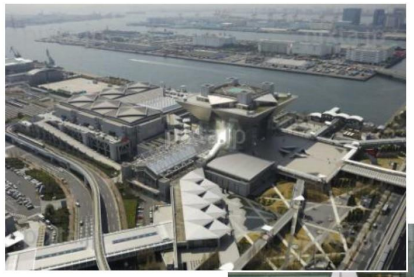
First draft:

It is hard to know how to respond to a list of false and/or distorted allegations, along with misleading statements on your part. Needless to say, I treat people I interact with with respect, and I work hard to support and mentor students, colleagues, and members of the general public. I do not sexually harass people. If the purpose of your reporting is to somehow argue that that Universities and other institutions are lax in dealing with well known individuals like myself, then in fact the situation is quite the opposite. My high public profile opens me up to more scrutiny at these institutions, not less, and it also opens me up to a host of outside complaints and

# Venue Overview (Tentative)

## 1st Convention to be held at Tokyo Big Sight: Easy access, large capacity and good facilities

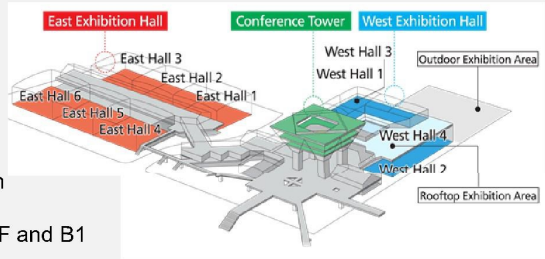




### Overview of Tokyo Big Sight (Tokyo International Exhibition Center)

■Facilities

Location 3-11-1 Ariake Koto-ku Tokyo
Total Site Area 243,419.46m2
Total Bldg Area 141,700.04m2
Total Floor Area 230,873.07m2
Total Exhibition Area 80,660m2
Structure Steel frame, reinforced concrete construction
Height Conference Tower: 8F and B1/
West Exhibition Hall: 5F/ East Exhibition Hall: 3F and B1




【East Exhibition Hall】
Consists of six halls, three on each side of the Galleria. Each hall contains recessed electronic and information control service pits every six meters, equipped with large freight entrances to facilitate exhibition setup and removal. Each hall is 90m x 90m and can be combined into one large exhibition area to meet the needs of large exhibitions and events

【West Exhibition Hall 1 & 2】
2 Halls on 1F with Atrium in the middle. Adjacent to the Outdoor Exhibition area.

【West Exhibition Hall 3 & 4】
2 Exhibition halls around the top open space of the Atrium on 4F. Adjacent to the Rooftop Exhibition area. Direct slopes to the 4F freight entrance.

【Reception Hall】
Fully equipped with a stage that can be raised, audio and lighting systems, and an simultaneous interpretation system.

【International Conference Room】
Main facility in the Conference Tower. Seats 1000. Fully equipped with audio and lighting systems and an simultaneous interpretation system of up to 8 languages. Used for international conventions, symposiums and other large scale events.

【Other Conference Rooms】
The Conference Tower also has 22 other small to medium sized conference rooms. Largest rooms 605-608 can accommodate up to 612 persons each.

HOUSE_OVERSIGHT_031367

Article 6.

Hurriyet Daily News

# Syria as Turkey's domestic issue

Yusuf Kanli

May 15, 2011 -- Syria is no Libya for many reasons; not just because it is a country right on the Turkish border or, like Turkey, it has a Kurdish population and an explosion there may ignite an explosion on this side of the border as well.

Like a broken watch that shows correct time twice a day, Prime Minister Recep Tayyip Erdoğan as well occasionally makes some correct analysis. Last week, while comparing the uprising in Libya against the Moammar Gadhafi regime and the growing unrest in the Syrian street against the Baathist regime of Bashar al-Assad, the prime minister correctly said Libya and Syria were two totally different issues for Turkey.

Erdoğan explained while Turkey was very much concerned with what's happening in Libya and have been undertaking every possible effort to contribute to a quick end to the tumult and restoration of peace and order in Libya, Syria was very much like a domestic incident for Turkey.

As part of its neo-Ottoman drive to enhance its influence in the Middle Eastern territory of the former Ottoman Empire the ruling Justice and development Party, or AKP, government of Turkey has long waived visa requirement in travel between Turkey and Syria. The aim behind that move was to plant the seeds of a future European Union-like Middle Eastern union led by Turkey but the first tangible result was not a marked increase in commercial, business or tourist interactions, but a batch of 250 refugees running from the fire on the Syrian street.

But the idea of liberal democracy — the U.S. is not the only exemplar of liberal democracy — [remains]. It's a powerful idea that would exist independently of whether the U.S. is hegemonic or not.

I'm not as scared of a world without American hegemony as some people are. We went through the whole Cold War period in which the U.S. was one of two superpowers. A return to a more multi-polar world in certain ways induces a fair amount of moderation among big players in the system, because people know they can't get their way unilaterally. And in the more multi-polar world we'd probably think twice about doing things like Iraq. The more important question is: In the global marketplace of ideas, how dominant will American *ideas* about freedom and rule of law and democracy and our economic model be? Our ideas will obviously be challenged; and it's important for the U.S. to put its own house in order, both politically and economically, because that's the most important way we exercise influence around the world: The model we set.

SHAFFER: To revisit *Our Posthuman Future*, are there any developments in bio-technologies in the past nine years that you find particularly disturbing?

FUKUYAMA: Yes. The whole rise of synthetic biology, where we've had new forms of life, and the ability to do new forms of life is proceeding extremely rapidly. The creation of an artificial bacteria itself is not immediately threatening, but it's part of a long-term process by which we'll uncover the technologies for manufacturing life, in ways that could have very serious security and moral implications.

Article 2.

NYT

# Europe's Contagion

Editorial

November 16, 2011 -- Two years of gross mismanagement of the euro-zone debt crisis have all too predictably produced a wider crisis of market confidence that now threatens the entire 17-nation euro zone. This week's formation of new technocrat-led governments in Greece and Italy has not calmed fears. Practically every euro zone country is paying the price in higher interest costs and ebbing economic growth.

The only country that isn't suffering — yet — is Germany, whose competitive export-driven economy feeds on foreign demand and an exchange rate held down by its neighbors' troubles. But all European countries cannot be Germany and run net surpluses, especially if Berlin insists on policies that keep factories shuttered and workers unemployed.

And German leaders are wrong if they think their country will remain unscathed as its major trading partners and neighbors unravel. Chancellor Angela Merkel of Germany has been talking a more pro-European line. But she is still insisting on growth-killing austerity as the price for European bailouts and still blocking the European Central Bank from printing more euros and acting as a lender of last resort.

Mrs. Merkel's advisers insist that she is doing what the German people want. That is not leadership. She needs to challenge her voters' simplistic stereotypes of southern European sloth and tell them the truth: The real threat to Germany isn't inflation; it is an economic collapse across Europe. And Germany has a huge amount to lose from a fracturing of the European Union.

**From:** Erika Kellerhals [redacted]
**Sent:** 11/10/2016 10:19:12 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re:

**Importance:** High

☺ I'll try not to. Need to meet with you Tuesday.

Sent from my iPhone

On Nov 10, 2016, at 6:14 PM, jeffrey E. <jeevacation@gmail.com> wrote:

its funny, dont lose your sense of humor

On Thu, Nov 10, 2016 at 11:12 PM, Erika Kellerhals [redacted] wrote:

I'm so sorry this happened to you. It's terrible. And sad.

Sent from my iPhone

On Nov 10, 2016, at 6:09 PM, jeffrey E. <jeevacation@gmail.com> wrote:

**http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html**

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Landon Thomas, Jr.
Financial Reporter
New York Times
[redacted]
http://topics.nytimes.com/top/reference/timestopics/people/t/landon_jr_thomas/index.html

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**From:** Miller, Michael [redacted]
**Sent:** 11/10/2016 10:28:58 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** RE:

**Importance:** High

# Privileged - Redacted

**Michael C. Miller**
Partner
www.steptoe.com/mmiller

Steptoe

[redacted] direct
fax
cell

Steptoe & Johnson LLP
1114 Avenue of the Americas
New York, NY 10036
www.steptoe.com

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**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Thursday, November 10, 2016 4:55 PM
**To:** Miller, Michael
**Subject:**

http://www.dailymail.co.uk/news/article-3914012/Troubled-woman-history-drug-use-claimed-assaulted-Donald-Trump-Jeffrey-Epstein-sex-party-age-13-FABRICATED-story.html

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**From**: Linda Stone[redacted]
**Sent**: 11/13/2016 6:26:33 PM
**To**: Jeffrey Epstein [jeevacation@gmail.com]
**Subject**: My sister's perspective from Europe

**Importance**: High

I am looking at this from over here in Germany. American politics gets reduced in the end to only a few issues: pro-life or pro-choice, gun laws, and establishment vs. anti-establishment. Political categories are so wishy washy and intermingled with what is termed 'liberal' and 'conservative' that one forgets what they actually mean.

Of course, not everybody who voted for Trump is sexist or a racist, but, on some level, they didn't care if he is. He knew how to gather momentum with the discourse he chose, and, even if he changes his tone, he has let loose a storm. We will brace ourselves over here for Putin's eventual takeover of the Baltic States. Putin has extended his power back into Republic of Georgia, the Crimea, and Armenia. Trump has said that he would not come to the aid of Nato allies if they were attacked. IS is the least of our problems here in Germany; Erdogan is a much larger threat, for now.

I don't see Hillary Clinton as being at fault. I see the growth of nationalism (all throughout the world, not just in the USA) and an underestimation of the fear that non-Hispanic whites have about the trajectory they are on to become a minority (in the USA and other European countries).

Every news show, talk show, etc here is discussing and analysing the fallout of Trump's win. German politicians are hoping to learn from it, to stem the growth of the right wing AFD party here. As far as I know, Merkel is the only leader who congratulated Trump with a warning.

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**From:** Peter Attia[redacted]
**Sent:** 10/19/2016 12:54:06 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** RE: In NYC next week?

**Importance:** High

Ok. Glad you were able to see him.
Please tell me it is officially over for trump…

**Peter Attia, M.D.** | Attia Medical, PC
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**From:** jeffrey E. [mailto:jeevacation@gmail.com]
**Sent:** Wednesday, October 19, 2016 4:48 AM
**To:** Peter Attia
**Subject:** Re: In NYC next week?

I like sebastain, bottojm line , nothig to do , took some bloods.

On Tue, Oct 18, 2016 at 3:30 PM, Peter Attia [redacted] wrote:
:(

**Peter Attia, M.D.** | Attia Medical, PC |[redacted](m)
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On Oct 18, 2016, at 12:30 PM, jeffrey E. <jeevacation@gmail.com> wrote:

no week after

On Tue, Oct 18, 2016 at 2:11 PM, Peter Attia <[redacted]wrote:

**Peter Attia, M.D.** | Attia Medical, PC [redacted] (m)
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**From**: Zubair Khan [redacted]
**Sent**: 10/29/2016 1:40:09 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

Hi Jeffrey,

Looks like Trump is back in game. We processed 11 million tweets this week for Trump and 50.03% are positive and only 20.66% are negative whereas Clinton is 56.05% negative and 20.03% positive.

We are trying to correlate that into popular vote outcome and electoral votes received.

Regards,
Zubair

On Sep 15, 2016, at 5:15 AM, Zubair Khan [redacted] wrote:

Hi Jeffrey,

We are in the process of removing data from bots and making a clean report which I will share with you in few hours. Overall Trump is way more popular than Clinton.

Regards,
Zubair

On Sep 14, 2016, at 8:04 PM, jeffrey E. <jeevacation@gmail.com> wrote:

what is your heat map showign for trump clinton

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**From**: Richard Kahn [redacted]
**Sent**: 10/29/2016 9:04:53 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Re:

**Importance**: High

Peter is looking smarter each day...
Heading to Lynn wake tonight.
I believe Lesley Bella Bebe went this afternoon.

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue, 4th Floor
New York, NY 10022
Phon[redacted]
Fax [redacted]
Cell [redacted]

On Oct 29, 2016, at 2:54 PM, jeffrey E. <jeevacation@gmail.com> wrote:

http://www.nytimes.com/2016/10/31/technology/peter-thiel-defends-his-most-contrarian-move-yet-supporting-trump.html

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DATE FILED: 10/4/2016

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JANE DOE *proceeding under a pseudonym*,

Plaintiff,

v.

DONALD J. TRUMP and JEFFREY E. EPSTEIN,

Defendants.

No. 16 CV-7673 (RA)

ORDER AND NOTICE
OF INITIAL CONFERENCE

RONNIE ABRAMS, United States District Judge:

This case has been assigned to me for all purposes. It is hereby:

ORDERED that counsel for all parties appear for an initial status conference on December 16, 2016 at 11:30 a.m. in Courtroom 1506 of the U.S. District Court for the Southern District of New York, 40 Foley Square, New York, New York.

IT IS FURTHER ORDERED that, by December 9, 2016, the parties submit a joint letter, not to exceed five (5) pages, providing the following information in separate paragraphs:

1. A brief description of the nature of the action and the principal defenses thereto;

2. A brief explanation of why jurisdiction and venue lie in this Court. If any party is a corporation, the letter shall state both the place of incorporation and the principal place of business. If any party is a partnership, limited partnership, limited liability company or trust, the letter shall state the citizenship of each of the entity's members, shareholders, partners and/or trustees;

3. A brief description of all contemplated and/or outstanding motions;

4. A brief description of any discovery that has already taken place, and/or that which will be necessary for the parties to engage in meaningful settlement negotiations;

5. A brief description of prior settlement discussions (without disclosing the parties' offers or settlement positions) and the prospect of settlement;

6. The estimated length of trial; and

7. Any other information that the parties believe may assist the Court in advancing the case to settlement or trial, including, but not limited to, a description of any dispositive issue or novel issue raised by the case.

IT IS FURTHER ORDERED that, by December 9, 2016, the parties jointly submit to the Court a proposed case management plan and scheduling order. A template for the order is available at http://nysd.uscourts.gov/judge/Abrams. The status letter and the proposed case management plan should be filed electronically on ECF, consistent with Section 13.1 of the Court's Electronic Case Filing (ECF) Rules & Instructions, available at http://www.nysd.uscourts.gov/ecf/ecf_rules_080113.pdf.

Plaintiff is ordered to serve Defendants with a copy of this order and to file an affidavit on ECF certifying that such service has been effectuated.

SO ORDERED.

Dated: October 4, 2016
New York, New York

Ronnie Abrams
United States District Judge



HOUSE_OVERSIGHT_032322

**From**: Zubair Khan [redacted]
**Sent**: 11/4/2016 12:43:32 PM
**To**: jeffrey E. [jeevacation@gmail.com]
**Subject**: Election Update
**Attachments**: Election_Update_4Nov.pdf; Untitled attachment 121551.htm

**Importance**: High

Hi Jeffrey,

According to InsightsPod Trump is more popular. We processed 3 million tweets this week.

I have attached detailed report.

Regards,
Zubair

# US Election Report

From 1st of Nov till now, we have captured around 3 million tweets.

Here is the performance of candidates:

| | | | |
|---|---|---|---|
| 1. Donald Trump | Positive – 19.29% | Neutral – 35.03% | Negative – 45.68% |
| 2. Hillary Clinton | Positive – 20.44% | Neutral – 20.79% | Negative – 58.77% |

## Winning chances

**Clinton: 45% – Trump: 55%**

## Winning chances in US States

| | |
|---|---|
| **New York** | Trump 39% - Clinton 61% |
| **California** | Trump 37% - Clinton 63% |
| **Texas** | Trump 80% - Clinton 20% |
| **North Carolina** | Trump 54% - Clinton 46% |
| **Florida** | Trump 52% - Clinton 48% |
| **Washington** | Trump 31% - Clinton 69% |
| **Ohio** | Trump 62% - Clinton 38% |
| **New Jersey** | Trump 19% - Clinton 81% |
| **Michigan** | Trump 37% - Clinton 63% |
| **Pennsylvania** | Trump 51% - Clinton 49% |
| **Iowa** | Trump 67% - Clinton 33% |
| **Wisconsin** | Trump 18% - Clinton 82% |
| **Nevada** | Trump 39% - Clinton 61% |

**From:** Zubair Khan [redacted]
**Sent:** 11/4/2016 1:07:21 PM
**To:** jeffrey E. [jeevacation@gmail.com]
**Subject:** Re: Election Update

**Importance:** High

Trump is definitely winning popular vote so far. According to our data winning chances of Trump are 52% in Electoral college.

On Nov 4, 2016, at 5:46 PM, jeffrey E. <jeevacation@gmail.com> wrote:

thats in the popular vote , not talking into account the elctoral college?

On Fri, Nov 4, 2016 at 1:43 PM, Zubair Khan [redacted] wrote:

Hi Jeffrey,

According to InsightsPod Trump is more popular. We processed 3 million tweets this week.

I have attached detailed report.

Regards,
Zubair

On Oct 9, 2016, at 4:06 PM, jeffrey E. <jeevacation@gmail.com> wrote:

jeevacation

On Sat, Oct 8, 2016 at 11:20 PM, Zubair Khan [redacted] wrote:

What is your Skype ID?

Thanks.

On Saturday, 8 October 2016, jeffrey E. <jeevacation@gmail.com> wrote:

yes

On Sat, Oct 8, 2016 at 7:07 AM, Zubair Khan [redacted] wrote:

Hi Jeffrey,

Are you available to talk today?

Regards,
Zubair

On Oct 6, 2016, at 11:24 AM, jeffrey E. <jeevacation@gmail.com> wrote:

skyype good this weekend?